1985
Financial Report

Corporation of the City of Kingston

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Thorne Riddell

Chartered Accountants

AUDITORS' REPORT

To the Members of Council, Inhabitants
and Ratepayers of the Corporation of
the City of Kingston

We have examined the consolidated balance sheet of the Corporation of the City of Kingston as at December 31, 1985 and the consolidated statement of operations for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the Corporation of the City of Kingston as at December 31, 1985 and the results of its operations for the year then ended in accordance with accounting policies prescribed for municipalities in Ontario applied on a basis consistent with that of the preceding year.

Thorne Riddell

Kingston, Ontario
April 3, 1986

Chartered Accountants
Licence #1086

CITY OF KINGSTON

CONSOLIDATED BALANCE SHEET

AS AT DECEMBER 31, 1985

ASSETS	1985	1984
Unrestricted		
Cash	$ 849,839	$ 351,050
Taxes receivable	1,699,364	2,306,462
Accounts receivable	3,519,970	3,336,396
Other current assets	268,530	286,251
	6,337,703	6,280,159
Restricted		
Cash	3,148,392	2,368,780
Accounts receivable	293,749	438,030
Long-term loans receivable	380,842	270,063
Investment in own debentures (note 5)	203,000	494,000
	4,025,983	3,570,873
Capital outlays financed by long-term liabilities and to be recovered in future years (note 8)	14,834,224	10,767,845
	$25,197,910	$20,618,877
LIABILITIES		
Temporary loans		$ 4,050,000
Due to Reserve Funds	$ 293,749	438,030
Accounts payable and accrued liabilities	2,708,625	3,273,875
Other current liabilities	1,343,489	615,196
	4,345,863	8,377,101
Net long-term liabilities (note 8)	14,834,224	10,767,845
	19,180,087	19,144,946
FUND BALANCES AT THE END OF THE YEAR		
Operating surplus to be used to offset future taxation or user charges	697,930	744,834
Surplus of Garbage Fund	26,512	26,976
Surplus of Kingston Public Library Board	8,955	5,999
Surplus of Downtown Business Area Levy	5,709	22,821
Unapplied capital receipts (capital expenditures not yet permanently financed) (note 9)	(262,509)	(3,707,151)
Reserve funds (note 10)	3,927,050	3,417,607
Reserves (note 10)	1,614,176	962,845
	6,017,823	1,473,931
	$25,197,910	$20,618,877

COMMITMENTS (note 13)

The accompanying notes are an integral part of this financial statement.

CITY OF KINGSTON

CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1985

	Actual 1985	Actual 1984
SOURCES OF FINANCING		
Taxation and user charges		
Residential	$12,457,328	$11,757,889
Commercial, industrial and business taxation	7,436,300	6,921,554
Taxation from other governments	3,369,841	3,132,724
User charges	6,310,738	5,895,313
	29,574,207	27,707,480
Grants		
Government of Canada	205,163	56,748
Province of Ontario	17,288,042	17,595,788
	17,493,205	17,652,536
Other		
Contributions from developers	372,809	126,624
Investment income	1,075,307	754,097
Interest and penalties on taxes	445,973	465,731
Sale of land	729,907	334,467
Special charges	14,945	37,745
Contribution from Trust Funds	280,011	660,013
Contribution from Hotel Dieu Hospital	46,643	475,146
Contribution from Providence Manor	18,337	
Licences and permits	385,837	284,462
Fines	390,472	351,639
Other	137,373	59,149
	3,897,614	3,549,073
Proceeds from issue of long-term liabilities	5,850,000	
MUNICIPAL FUND BALANCES AT THE BEGINNING OF THE YEAR		
To be used to offset taxation or user charges	800,630	1,180,689
Capital operations not yet financed	(3,707,151)	(1,983,241)
Total financing available during the year	$53,908,505	$48,106,537

The accompanying notes are an integral part of this financial statement.

	Actual 1985	Actual 1984
FINANCING APPLIED TO		
Current operations (notes 3, 11, 12)		
General government	$ 3,795,804	$ 3,382,966
Fire	4,359,792	4,237,849
Police	6,198,007	5,755,462
Conservation authority	121,114	112,339
Protective inspections and control	423,387	397,919
Roadways	4,645,763	4,254,537
Transit	1,638,805	1,509,146
Parking	1,269,863	1,156,057
Air transportation	266,258	292,261
Street lighting	385,785	283,408
Sanitary sewer system	1,549,081	1,555,343
Garbage collection and disposal	2,621,946	2,469,369
Social and family services	11,272,252	10,976,081
Parks and recreation	4,988,440	4,551,870
Libraries	1,430,502	1,339,562
Planning and zoning	356,537	314,549
Residential development	57,384	40,902
Commercial and industrial development	498,896	389,801
Health services	411,190	369,952
	46,290,806	43,389,373
Capital operations		
Police vehicles and communication equipment	168,253	150,243
Roadways, reconstruction and paving	980,642	1,658,498
Princess Street revitalization	1,301,654	38,096
Sidewalks	400,020	357,454
Transit vehicles	343,362	373,712
Parking lots	75,441	1,811,184
Airport renovations	271,024	
Sewers	766,158	879,725
Vehicles	464,038	276,930
Waterfront improvements		353,341
Purchase of industrial land		207,820
Purchase of inner harbour park land		553,923
Debenture proceeds transferred to public utilities commission	350,000	
Other	859,736	446,725
	5,980,328	7,107,651
Net appropriations to reserves and reserve funds	1,160,774	516,034
MUNICIPAL FUND BALANCES AT THE END OF THE YEAR To be used to offset taxation or user charges	739,106	800,630
Capital operations not yet financed	(262,509)	(3,707,151)
Total applications during the year	$53,908,505	$48,106,537

CITY OF KINGSTON

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1985

1. ACCOUNTING POLICIES

(a) Basis of consolidation

(i) Consolidated balance sheet

This statement includes the assets and liabilities of the revenue fund, capital fund, reserve funds, all committees of council of the municipality and the following local boards and municipal enterprises:

Parking operations of the City of Kingston
Kingston Community Memorial Health and Recreation Centre
Rideaucrest Home for the Aged
Garbage Fund
Board of Police Commissioners of the City of Kingston
Grand Theatre
Downtown Business Improvement Area

All inter-fund assets and liabilities are eliminated with the exception of loans or advances between the reserve funds and other funds of the municipality.

(ii) Consolidated statement of operations

This statement reflects the sources of financing and expenditures of the revenue fund, capital fund, reserves and reserve funds of the municipality and those local boards and municipal enterprises described in note 1(a)(i).

All inter-fund sources of financing and expenditures are eliminated with the exception of interest income and expense arising from loans and advances between the reserve funds and other funds of the municipality.

(iii) Non-consolidated entities

The following entities are not consolidated, except to the extent of amounts due to or from these entities and contributions by the municipality to these entities:

Public Utilities Commission of the City of Kingston
Kingston, Frontenac and Lennox and Addington Health Unit

(iv) School boards

The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards are not included in these financial statements except to the extent that overlevies (underlevies) are reported on the consolidated balance sheet as other current liabilities (other current assets).

(v) Trust funds

Trust funds and their related operations administered by the municipality are not consolidated, but are reported separately on the trust fund balance sheets and statements of continuity.

1. ACCOUNTING POLICIES (continued)

(b) Basis of accounting

(i) Sources of financing and expenditures are reported on the accrual basis of accounting with the exception of principal and interest charges on long-term liabilities which are charged against operations in the periods in which they are paid. The principal and interest charges are not accrued for the period from the date of the latest instalment payment to the end of the financial year.

(ii) The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(iii) The historical cost and accumulated depreciation of fixed assets are not reported for municipal purposes. Fixed assets are reported as an expenditure on the consolidated statement of operations in the year of acquisition. For those fixed assets financed or to be financed by the issue of long-term indebtedness, the principal and interest on the long-term indebtedness are also reported on the consolidated statement of operations as they are incurred.

(iv) "Capital outlay to be recovered in future years," which represents the outstanding principal portion of unmatured long-term liabilities for municipal expenditures or capital funds transferred to other organizations, is reported on the consolidated balance sheet.

2. OPERATIONS OF SCHOOL BOARDS

Further to note 1(a)(iv), the municipality's share of the taxation, other revenues, expenditures and overlevies (underlevies) of the school boards consist of the following:

	1985	1984
Taxation and user charges	$19,369,158	$16,195,365
Grants	972,237	889,842
	20,341,395	17,085,207
Requisitions	20,338,747	17,089,392
Overlevies (underlevies) for the year	2,648	(4,185)
Overlevies (underlevies) at the beginning of the year	(2,663)	1,522
Overlevies (underlevies) at the end of the year	$ (15)	$ (2,663)

2. OPERATIONS OF SCHOOL BOARDS (continued)

These revenues and expenditures are not reflected in the consolidated statement of operations.

The overlevies (underlevies) at the end of the year are reported as other current liabilities (other current assets) on the consolidated balance sheet.

3. CONTRIBUTIONS TO UNCONSOLIDATED JOINT BOARDS

Futher to note 1(a)(iii), the assets and liabilities of an unconsolidated joint board have not been consolidated and are not reported on the consolidated balance sheet, except to the extent of the long-term liabilities to be recovered from general taxation.

The operations of this joint board have also not been consolidated. The consolidated statement of operations includes only the following contributions made by the municipality to this board:

	1985	1984
Kingston, Frontenac and Lennox and Addington Health Unit	$238,860	$212,452

4. TRUST FUNDS

Trust funds administered by the municipality amounting to $1,201,098 ($1,514,802 in 1984) have not been included in the consolidated balance sheet nor have their operations been included in the consolidated statement of operations.

5. INVESTMENTS

The investments of $203,000 ($494,000 in 1984) in the corporation's own debentures, recorded on the consolidated balance sheet at cost, have a par value of $203,000 ($494,000 in 1984) as at the end of the year.

6. LIABILITY FOR PAST SERVICE PROVISIONS OF PENSION AGREEMENTS

Under the past service provisions of pension agreements, the municipality is obligated at December 31, 1985 for an amount of $2,723,828 ($2,860,194 in 1984) as established for the plans. No provision has been made for this liability. This liability will be funded by payments of $377,524 from 1986 to 1996, and $37,633 in 1997 and 1998. An amount of $377,524 ($374,504 in 1984) has been provided in the current year and is reported on the consolidated statement of operations.

7. LIABILITY FOR VESTED SICK LEAVE BENEFITS

Under the sick leave benefit plan, unused sick leave accumulates and employees may become entitled to cash payments when they leave the municipality's employment.

The liability for these accumulated days, to the extent that it has vested and could be taken in cash by employees on terminating, amounted to $4,594,934 ($4,234,102 in 1984) at the end of the year. An amount of $56,627 ($44,479 in 1984) has been provided for this past service liability and is reported on the consolidated balance sheet. Actual payments to employees terminated during the year amounted to $145,421 ($249,374 in 1984) and are reported on the consolidated statement of operations.

8. NET LONG-TERM LIABILITIES

(a) The net long-term liabilities reported on the consolidated balance sheet are made up of the following:

	1985	1984
Total long-term liabilities incurred by the municipality and outstanding at the end of the year amount to	$18,779,583	$15,280,145
Of the long-term liabilities shown above, the responsibility for payment of a portion of the principal and interest charges has been assumed by unconsolidated local boards, municipal enterprises, utilities and the Frontenac County Board of Education. At the end of the year the outstanding principal amount of liabilities so assumed is	3,945,358	4,512,300
Net long-term liabilities at the end of the year	$14,834,225	$10,767,845

(b) Principal due on net long-term liabilities is summarized as follows:

Source	1986 to 1990	1991 to 1995	1996 and thereafter	Total
From general municipal revenues	$ 6,374,025	$ 4,575,183	$ 1,181,000	$12,130,208
From benefitting landowners	269,392	31,625		301,017
From consolidated municipal enterprises	1,237,000	1,166,000		2,403,000
	$ 7,880,417	$ 5,772,808	$ 1,181,000	$14,834,225

8. NET LONG-TERM LIABILITIES (continued)

(c) Approval of the Ontario Municipal Board has been obtained for the long-term liabilities in (a), issued in the name of the municipality.

(d) As issuer, the city is contingently liable for payment of the long-term liabilities assumed by other entities as reported in paragraph 8(a) above.

9. UNAPPLIED CAPITAL RECEIPTS (CAPITAL EXPENDITURES NOT YET PERMANENTLY FINANCED)

(a) The unapplied capital financing (capital operations not yet permanently financed) at the end of the year is comprised of the following:

	1985	1984
Capital outlays to be financed from the proceeds of long-term liabilities	$ (361,439)	$(3,857,999)
Funds available for capital outlays	98,930	150,848
	$ (262,509)	$(3,707,151)

(b) Approval of the Ontario Municipal Board has been obtained for pending issues of long-term liabilities.

10. RESERVES AND RESERVE FUNDS

The total reserves and reserve funds are made up of the following:

	1985	1984
Set aside for specific purposes by council	$4,736,820	$ 3,568,192
Set aside for specific purposes by legislation, regulation or agreement	804,406	812,260
	$5,541,226	$ 4,380,452

11. CHARGES FOR NET LONG-TERM LIABILITIES

Total charges for the year for net long-term liabilities which are reported on the consolidated statement of operations are as follows:

	1985	1984
Principal payments	$ 1,428,621	$ 1,381,300
Interest	1,095,389	1,244,365
	$ 2,524,010	$ 2,625,665

The charges for long-term liabilities assumed by other entities as reported in note 8(a) are not included in these statements.

12. NON-ACCRUAL OF INTEREST ON LONG-TERM LIABILITIES

No provision has been made in these financial statements for the accrual of interest on net long-term liabilities. Had this provision been made, the municipal fund balances as at December 31, 1985 would have been decreased by $444,271 ($517,137 in 1984).

13. COMMITMENTS

(a) In 1975, the City of Kingston executed a fifteen-year contract with Tricil Limited for handling and disposal of garbage. Annual charges under the contract are determined by reference to certain economic factors and price levels. Payments under the contract for the year 1985 amounted to $1,101,459 ($1,053,736 in 1984).

(b) In 1981, the municipality pledged a total of $1,200,000 to Kingston General/Hotel Dieu Hospitals Building Fund. These funds are payable at $120,000 per year from 1981 to 1990.

(c) In 1985 the municipality pledged a total of $500,000 to Queen's University. These funds are payable at $100,000 per year from 1985 to 1989.

14. LIMITED DIVIDEND HOUSING PROJECT

The Corporation of the City of Kingston owns all of the issued shares of City of Kingston Housing Limited. For the year ended December 31, 1985, City of Kingston Housing Limited had an operating surplus of $6,628, changing the accumulated deficit since commencement of operations in 1972 to an accumulated surplus of $3,667. The accounts of the housing corporation have not been consolidated in the municipal statements.

15. COMPARATIVE FIGURES

Certain of the comparative figures shown for 1984 have been recast to conform with the financial statement presentation adopted for 1985.

16. LITIGATION

As reported at December 31, 1984 the city had been named in a lawsuit claiming general and special damages amounting to $16,000,000. This claim was settled out of court for the amount of $23,000, the city's share of which is $7,667. This amount is covered by insurance.

CITY OF KINGSTON

SCHEDULE OF RESERVE FUNDS

YEAR ENDED DECEMBER 31, 1985

NAME OF FUND	Total	Housing Assistance Rehabilitation Program
Balances at beginning of year	$3,417,607	$ 383,724
Revenue		
Contributions from developers	351,809	
Interest earned	442,913	30,123
Contributions from current operations	266,911	
Net revenue from parking operations	269,548	
Contribution from conservation authority	79,499	
Transfer from Housing Assistance Rehabilitation Program to vacant commercial property conversion	100,000	
Contribution from Province of Ontario	130,500	
Contribution from Housing Incentive Trust	37,000	
	5,095,787	413,847
Expenditures		
Contributions to current operations	396,200	
Administrative charge and loans forgiven	7,171	1,400
Contributions to capital operations	207,366	
Transfer to vacant commercial property conversion from Housing Assistance Rehabilitation Program	100,000	100,000
Transfer to land purchase reserve	458,000	250,000
	1,168,737	351,400
Balances at end of year	$3,927,050	$ 62,447

SCHEDULE OF RESERVES

YEAR ENDED DECEMBER 31, 1985

NAME OF RESERVE	Total	Working Capital	Equipment Replacement
Balances at beginning of year	$ 962,845	$ 62,540	$ 132,805
Appropriations from current operations	726,367		191,367
Transfer from reserve funds	458,000		
Transfer from trust funds	242,000		
Appropriations to capital operations	(579,368)		(272,536)
Appropriations to current operations	(195,668)		
Balances at end of year	$1,614,176	$ 62,540	$ 51,636

Acquisition of Substandard Housing	Vacant Commercial Property Conversion	Parking Revenue	Sewer Capacity	Other
$ 74,768	$ 320,250	$ 799,023	$1,569,810	$ 270,032
			193,961	157,848
6,829	30,016	60,067	287,844	28,034
754				266,157
		269,548		
79,499				
	100,000			
				130,500
				37,000
161,850	450,266	1,128,638	2,051,615	889,571
		289,335		106,865
	3,150			2,621
64,924		107,267		35,175
90,000	118,000			
154,924	121,150	396,602		144,661
$ 6,926	$ 329,116	$ 732,036	$2,051,615	$ 744,910

Uncollected Taxes	Rate Stabilization	Capital Expenditures and Other Approved Projects	Transit	Land Purchase
$ 20,000	$ 250,000	$ 475,000	$ 22,500	
		535,000		
				$ 458,000
				242,000
		(279,332)	(22,500)	(5,000)
		(195,668)		
$ 20,000	$ 250,000	$ 535,000	$ Nil	$ 695,000

CITY OF KINGSTON
SIX-YEAR FINANCIAL REVIEW
Not subject to audit

(All dollar amounts are in thousands of dollars, except per capita figures.)

	1985	1984	1983	1982	1981	1980
1. Population at the end of the year	61,243	61,269	61,269	61,278	62,139	61,217
2. Area in acres at the end of the year	7,482	7,482	7,482	7,482	7,482	7,482
3. Employees - continuous full time	720	721	738	739	746	748
4. Number of households	25,495	25,220	25,035	24,841	23,456	23,932
5. Assessment						
Taxable assessment upon which the year's rates of taxation were set						
Residential	$ 87,137	$ 85,059	$ 83,835	$ 83,346	$ 80,466	$ 79,014
Commercial and industrial	29,736	29,101	28,657	29,706	29,218	28,748
Business	12,533	12,301	12,049	12,526	12,693	12,477
Total	$129,406	$126,461	$124,541	$125,578	$122,377	$120,239
Per capita	$ 2,113	$ 2,064	$ 2,033	$ 2,050	$ 1,969	$ 1,964
Commercial and industrial, and business as a percentage of taxable assessment	32.66%	32.74%	32.68%	33.63%	34.25%	34.29%
Exempt assessment	$ 79,849	$ 78,790	$ 79,525	$ 79,831	$ 67,816	$ 67,467
Provincial equalization factor	8.56	9.77	10.06	10.65	11.14	11.35
6. Rates of taxation						
Residential mill rate						
for general municipal purposes	133.395	128.745	122.62	116.37	107.86	99.14
for school board purposes	141.043	120.067	117.33	102.87	94.33	84.96
Total	274.438	248.812	239.95	219.24	202.19	184.10
Commercial and industrial mill rate						
for general municipal purposes	154.728	149.258	142.30	135.03	125.06	114.97
for school board purposes	165.933	141.275	138.04	121.02	110.98	99.96
Total	320.661	290.533	280.34	256.05	236.04	214.93
7. Revenue for general municipal services						
Taxation	$ 19,894	$ 18,679	$ 17,604	$ 16,814	$ 15,135	$ 13,739
Payments in lieu of taxes	3,370	3,133	2,987	2,739	2,321	2,183
Ontario grants	17,335	17,596	15,572	14,967	12,004	11,353
Other grants	205	57	172	97	64	35
Fees and service charges	8,194	5,895	4,756	3,622	2,453	2,088
Other	4,024	3,549	2,634	3,744	2,430	1,660
Total	$ 53,022	$ 48,909	$ 43,725	$ 41,983	$ 34,407	$ 31,058
8. Tax arrears - per capita	$ 27.75	$ 37.64	$ 38.25	$ 50.69	$ 37.78	$ 20.95
- percentage of current levy	4.25%	6.49%	6.94%	9.99%	8.43%	5.15%
9. Expenditure - general municipal	$ 48,347	$ 43,390	$ 40,973	$ 39,825	$ 34,091	$ 31,095
10. Transfers to the school boards	20,339	$ 17,089	$ 16,399	$ 14,598	$ 12,908	$ 11,391
11. Net long-term liabilities						
General municipal activities	$ 14,834	$ 10,768	$ 11,354	$ 10,241	$ 11,205	$ 11,560
- per capita	242	176	185	165	180	189
- percentage of taxable assessment	11.46%	8.51%	9.12%	8.16%	9.16%	9.61%
Municipal enterprises	3,716	$ 3,915	$ 4,481	$ 5,193	$ 5,780	$ 6,353
12. Charges for net long-term liabilities						
General municipal activities	2,514	2,626	2,237	2,169	2,052	2,082
- per capita	$ 41	$ 39	$ 37	$ 35	$ 33	$ 34
- as a mill rate	20	19	18	17	16	17
13. Capital financing during the year						
Contributions from own funds	$ 2,213	$ 2,255	$ 1,022	$ 1,062	$ 1,247	$ 1,121
Long-term liabilities incurred	5,850		2,859	Nil	709	Nil
Ontario grants	1,040	1,934	676	912	829	701
Other	322	1,192	299	154	84	327
Total	9,425	$ 5,381	$ 4,856	$ 2,128	$ 2,869	$ 2,149
14. Capital expenditure during the year	$ 5,980	$ 7,107	$ 2,943	$ 4,406	$ 2,495	$ 3,037
15. Accumulated net revenue at end of year	$ 698	$ 745	$ 1,181	$ 889	$ 773	$ 452
16. Reserves and reserve funds at end of year	$ 5,541	$ 4,380	$ 4,442	$ 4,022	$ 4,007	$ 2,657

Thorne Riddell

Chartered Accountants

AUDITORS' REPORT

To the Members of Council, Inhabitants
and Ratepayers of the Corporation of
the City of Kingston

We have examined the balance sheets of the trust funds held by the Corporation of the City of Kingston as at December 31, 1985 and the statements of continuity of trust funds for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the trust funds held by the Corporation of the City of Kingston as at December 31, 1985 and the continuity of trust funds for the year then ended in accordance with accounting policies prescribed for municipalities in Ontario applied on a basis consistent with that of the preceding year.

Thorne Riddell

Chartered Accountants
Licence #1086

Kingston, Ontario
April 3, 1986

CITY OF KINGSTON

TRUST FUNDS

NAME OF FUND	Total	Ethiopia Relief Donations	Ontario Home Renewal Plan	Rideaucrest Chapel Donations	Polson Park Bequest	Swimming Pool	Housing Incentive	Rideaucrest Residents' Funds In Safekeeping	Rideaucrest Trusts and Endowments	Letters of Credit	Arts Donations	Greenwood Land Bank	Rideaucrest Therapeutic Garden	Harvard Restoration Project
BALANCE SHEETS														
AS AT DECEMBER 31, 1985														
ASSETS														
Cash	$ 935,373		$335,104	$ 2,089	$ 10,942	$ 9,371	$ 11,310	$334,510	$141,017	$ 23,353	$ 641	$ 64,841	$ 168	$ 2,027
Lease receivable	240,725		240,725											
Investments, at cost														
Term deposits	25,000				25,000									
	$1,201,098		$575,829	$ 2,089	$ 35,942	$ 9,371	$ 11,310	$334,510	$141,017	$ 23,353	$ 641	$ 64,841	$ 168	$ 2,027
LIABILITIES														
BALANCES - capital	$1,167,733		$575,829	$ 2,089	$ 35,942		$ 11,310	$334,510	$141,017			$ 64,841	$ 168	$ 2,027
- income	33,365					$ 9,371				$ 23,353	$ 641			
	$1,201,098		$575,829	$ 2,089	$ 35,942	$ 9,371	$ 11,310	$334,510	$141,017	$ 23,353	$ 641	$ 64,841	$ 168	$ 2,027
STATEMENTS OF CONTINUITY														
YEAR ENDED DECEMBER 31, 1985														
BALANCES AT BEGINNING OF YEAR	$1,514,802	$ 40,009	$568,245	$ 3,749	$ 33,802	$ 8,569	$248,689	$368,890	$126,004	$ 57,233	$ 591	$ 59,021		
Capital receipts														
Donations	28,207	12,873		2,574					10,010				$ 750	$ 2,000
Residents' deposits, (withdrawals), net	(66,545)							(66,545)						
Interest earned	125,641	687	39,920	133	3,484	802	26,778	32,165	12,580	2,178	50	6,831	6	27
Transfer from Rideaucrest Trusts and Endowments Fund	3,500			3,500										
Other revenue	53,572						53,122		450					
Sub-Total	1,659,177	53,569	608,165	9,956	37,286	9,371	328,589	334,510	149,044	59,411	641	65,852	756	2,027
Expenditures	175,579	53,569	32,336	7,867	1,344		38,279		4,527	36,058		1,011	588	
Transfer to land purchase reserve	242,000						242,000							
Transfer to Heritage Reserve Fund	37,000						37,000							
Transfer to Rideaucrest Chapel Donation Fund	3,500								3,500					
BALANCES AT END OF YEAR	$1,201,098	$ Nil	$575,829	$ 2,089	$ 35,942	$ 9,371	$ 11,310	$334,510	$141,017	$ 23,353	$ 641	$ 64,841	$ 168	$ 2,027

CITY OF KINGSTON

TRUST FUNDS

NOTE TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1985

ACCOUNTING POLICY

Sources of financing and expenditures are reported on the accrual basis of accounting with the exception that interest is not accrued on funds on deposit.

Thorne Riddell

Chartered Accountants

AUDITORS' REPORT

To the Members of Council, Inhabitants
and Ratepayers of the Corporation of
the City of Kingston

We have examined the statement of revenue and expenditure and surplus of the City of Kingston Garbage Fund for the year December 31, 1985. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, this financial statement presents fairly the results of operations of the fund for the year ended December 31, 1985 in accordance with accounting policies prescribed for municipalities in Ontario applied on a basis consistent with that of the preceding year.

Thorne Riddell

Kingston, Ontario
April 3, 1986

Chartered Accountants
Licence #1086

CITY OF KINGSTON

GARBAGE FUND

STATEMENT OF REVENUE AND EXPENDITURE AND SURPLUS

YEAR ENDED DECEMBER 31, 1985

	1985	1984
REVENUE		
Revenue from taxation		
- regular	$2,133,948	$2,097,473
- Section 43 of Assessment Act	10,369	6,651
	2,144,317	2,104,124
Deduct rebates and allowances by Assessment Review Court	9,237	8,593
Net revenue from taxation	2,135,080	2,095,531
EXPENDITURES		
General administration	147,446	131,821
Collection of garbage	886,640	869,410
Disposal of garbage	1,101,459	1,053,808
	2,135,545	2,055,039
SURPLUS (DEFICIT) FOR THE YEAR	(465)	40,492
SURPLUS (DEFICIT) AT BEGINNING OF YEAR	26,976	(13,516)
ACCUMULATED SURPLUS AT END OF YEAR	$ 26,511	$ 26,976

CITY OF KINGSTON

GARBAGE FUND

NOTE TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1985

ACCOUNTING POLICY

Sources of financing and expenditures are reported on the accrual basis of accounting.

Thorne Riddell

Chartered Accountants

AUDITORS' REPORT

To the Members of Council, Inhabitants
and Ratepayers of the Corporation of
the City of Kingston

We have examined the statement of revenue and expenditure of the City of Kingston Board of Police Commissioners for the year ended December 31, 1985. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, this financial statement presents fairly the results of the operations of the board for the year ended December 31, 1985 in accordance with accounting policies prescribed for municipalities in Ontario applied on a basis consistent with that of the preceding year.

Thorne Riddell

Kingston, Ontario
April 3, 1986

Chartered Accountants
Licence #1086

CITY OF KINGSTON

BOARD OF POLICE COMMISSIONERS

STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED DECEMBER 31, 1985

	1985	1984
REVENUE		
Provided by the City of Kingston from general tax	$4,917,947	$4,695,015
Provincial per household grant for police	1,274,750	1,185,340
Regional gaol transportation grant	54,810	55,170
Administration - sundry revenue	51,097	28,607
Licensing and inspection revenue	31,206	28,565
Total revenue	$6,329,810	$5,992,697
EXPENDITURES		
Administration	$ 524,777	$ 441,459
Board of Police Commissioners	10,148	8,558
Planning, research and personnel	47,071	41,336
Special services	145,240	171,128
Staff services division	54,757	90,715
Court liaison	82,010	75,017
Records and information	95,115	84,772
Communications	528,229	378,992
Property and stores	26,840	24,791
Community services	266,809	218,818
Licensing and inspections	40,497	39,551
Summonses and warrants	94,083	83,054
Prisoner security and transportation	89,544	83,441
Buildings	314,637	300,516
Motor transport	244,346	279,956
Patrol division	2,848,174	2,816,366
Criminal investigation division	102,149	66,956
General assignment	654,010	650,126
Technical services	161,374	137,145
	$6,329,810	$5,992,697

CITY OF KINGSTON

BOARD OF POLICE COMMISSIONERS

NOTE TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1985

ACCOUNTING POLICY

Sources of financing and expenditures are reported on the accrual basis of accounting.

Thorne Riddell

Chartered Accountants

AUDITORS' REPORT

To the Members of Council, Inhabitants
and Ratepayers of the Corporation of
the City of Kingston

We have examined the balance sheet of the City of Kingston Parking Operations as at December 31, 1985 and the statements of revenue and expenditure and surplus (Parking Meter Reserve Fund) for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the fund as at December 31, 1985 and the results of its operations for the year then ended in accordance with accounting policies prescribed for municipalities in Ontario applied on a basis consistent with that of the preceding year.

Thorne Riddell

Kingston, Ontario
April 3, 1986

Chartered Accountants
Licence #1086

CITY OF KINGSTON

PARKING OPERATIONS

BALANCE SHEET

AS AT DECEMBER 31, 1985

ASSETS	1985	1984
CURRENT ASSETS		
Due from City of Kingston, Revenue Fund	$ 310,709	$ 455,149
Cash in bank	438,287	363,407
	748,996	818,556
CAPITAL OUTLAYS TO BE RECOVERED IN FUTURE YEARS		
Parking lots	2,403,000	1,526,000
TOTAL ASSETS	$3,151,996	$2,344,556

LIABILITIES AND SURPLUS		
CURRENT LIABILITIES		
Accounts payable	$ 3,041	$ 4,833
Parking stamps unredeemed	13,919	12,286
	16,960	17,119
LONG-TERM DEBT		
Debentures payable	2,403,000	1,526,000
RESERVE FOR DEBT RETIREMENT		
Robert Bruce Memorial Parking Lot		2,414
SURPLUS (PARKING METER RESERVE FUND)	732,036	799,023
TOTAL LIABILITIES AND SURPLUS	$3,151,996	$2,344,556

CITY OF KINGSTON

PARKING OPERATIONS

STATEMENT OF SURPLUS (PARKING METER RESERVE FUND)

YEAR ENDED DECEMBER 31, 1985

	1985	1984
Interest earned	$ 60,067	$ 39,451
Net revenue on street and general operations	247,867	315,965
Net operating surpluses on individual lots		
Angrove Memorial	18,678	23,920
Armstrong Memorial		576
Barrack Street	11,720	11,225
Byron Memorial	17,549	17,624
Chown Memorial		19,677
King Street		2,387
McKee Memorial	2,350	1,271
Ordnance Street	2,659	
	360,890	432,096
Net operating deficits on individual lots		
Repayment Court House surplus		16,393
Anglin	57,059	73,241
Robert Bruce Memorial	23,330	
Drury	86,541	44,691
Hanson Memorial	34,778	19,320
Gorsline Memorial	7,011	3,342
Springer Memorial	41,704	41,401
Chown Memorial	51,969	
King Street	2,934	
Market Square	14,451	
Armstrong Memorial	833	
Capital expenditures		
Parking lot improvements		28,441
Walkway - Chown Memorial	4,578	
Chown Memorial	66,000	300,000
House of Providence	36,689	50,093
	427,877	576,922
NET REVENUE (DEFICIT) FROM PARKING OPERATIONS	(66,987)	(144,826)
SURPLUS BALANCE AT BEGINNING OF YEAR	799,023	943,849
SURPLUS BALANCE AT END OF YEAR	$732,036	$799,023

CITY OF KINGSTON

PARKING OPERATIONS

STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED DECEMBER 31, 1985

STREET AND GENERAL OPERATIONS

	1985	1984
REVENUE		
Collections from meters on public streets	$422,586	$501,958
Collections from meters on market square	19,838	17,567
Rental of meter hoods	3,493	1,301
Total revenue	445,917	520,826
EXPENDITURE		
General administration		
Wages	3,813	151
Workers' compensation	13	75
Retirement allowance	4,650	3,835
Supplies - other	3,630	4,497
Information - advertising	126	39
Professional and special services - insurance	3,045	753
Other services contracted	15,806	22,305
Administrative services	43,260	42,000
	74,343	73,655
Less portion of administrative costs allocated to operation of parking lots	31,674	30,450
	42,669	43,205
Parking meter operation		
Salaries and wages	51,332	50,143
Supplies - parts and supplies	4,952	14,522
Supplies - other	1,290	1,624
Maintenance of fixed assets - repairs		24
	57,574	66,313
Enforcement		
Salaries and wages	91,159	87,426
Allowances - uniform	400	400
Supplies - office (printing)	2,681	4,527
Supplies - gas, diesel and lubricants	1,080	1,020
Supplies - parts and supplies	1,309	1,001
Supplies - licenses	168	288
Clothing - uniforms, overalls	1,010	681
	97,807	95,343
Total expenditure	198,050	204,861
NET REVENUE FROM STREET AND GENERAL OPERATIONS TRANSFERRED TO SURPLUS	$247,867	$315,965

CITY OF KINGSTON

PARKING OPERATIONS

NOTE TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1985

ACCOUNTING POLICY

Sources of financing and expenditures are reported on the accrual basis of accounting.

Thorne Riddell

Chartered Accountants

AUDITORS' REPORT

To the Members of Council, Inhabitants
and Ratepayers of the Corporation of
the City of Kingston

We have examined the statement of revenue and expenditure of the Grand Theatre for the year ended December 31, 1985. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, this financial statement presents fairly the results of the operations of the Grand Theatre for the year ended December 31, 1985 in accordance with accounting policies prescribed for municipalities in Ontario applied on a basis consistent with that of the preceding year.

Thorne Riddell

Kingston, Ontario
April 3, 1986

Chartered Accountants
Licence #1086

CITY OF KINGSTON

GRAND THEATRE

STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED DECEMBER 31, 1985

	1985	1984
REVENUE		
Ticket sales	$ 14,833	$ 14,513
Canteen sales	5,297	6,061
Bar sales	27,350	28,096
Rentals from stage shows	38,641	39,508
Miscellaneous revenue	1,674	2,000
Service fees	4,598	3,896
Stage hand expenses recovered	35,698	33,906
Total revenue	128,091	127,980
EXPENDITURES		
Salaries	41,144	33,136
Wages	47,774	42,525
Provisions - foodstuffs	5,654	10,551
Confections	3,474	2,864
Supplies - office printing	1,895	938
Supplies - other	3,678	4,651
Equipment - other	2,931	1,276
Utilities - electric, water and gas	31,767	32,975
Office supplies	7,732	9,731
Transportation - workshops and seminars	169	830
Transportation - travel and conventions	1,001	462
Transportation - delivery service	438	443
Telephone and telegraph	5,923	5,955
Information - fees, subscriptions and membership	235	164
Information - advertising	2,455	249
Information - photocopying	344	968
Professional and special services - insurance	2,617	2,410
Professional and special services - other	37,748	42,098
Other services - cleaning	499	1,409
Other services - temporary	8,258	1,868
Maintenance of fixed assets - other than repairs	11,688	12,106
Purchase of new assets	4,352	3,399
Total expenditures	221,776	211,008
DEFICIT FOR THE YEAR PROVIDED FROM THE REVENUE FUND OF THE CITY OF KINGSTON	$ 93,685	$ 83,028

CITY OF KINGSTON

GRAND THEATRE

NOTE TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1985

ACCOUNTING POLICY

Sources of financing and expenditures are reported on the accrual basis of accounting.

Thorne Riddell

Chartered Accountants

AUDITORS' REPORT

To the Members of Council, Inhabitants
and Ratepayers of the Corporation of
the City of Kingston

We have examined the balance sheet of the Kingston Community Memorial Health and Recreation Centre as at December 31, 1985 and the statement of revenue and expenditure for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the centre as at December 31, 1985 and the results of its operations for the year then ended in accordance with accounting policies prescribed for municipalities in Ontario applied on a basis consistent with that of the preceding year.

Thorne Riddell

Kingston, Ontario
April 3, 1986

Chartered Accountants
Licence #1086

CITY OF KINGSTON

KINGSTON COMMUNITY MEMORIAL HEALTH AND RECREATION CENTRE

BALANCE SHEET

AS AT DECEMBER 31, 1985

ASSETS	1985	1984
CURRENT ASSETS		
Cash	$ 8,375	$ 7,525
Trade accounts receivable	21,642	20,925
Inventory of canteen merchandise, at cost	13,390	12,865
Deposits	300	300
Total assets	$43,707	$41,615

LIABILITIES AND CONTRIBUTED CAPITAL		
CURRENT LIABILITIES		
Account payable to the City of Kingston	$23,018	$16,708
Trade accounts payable and accrued liabilities	4,400	8,600
Deferred revenue	4,390	4,408
Deposits	2,700	2,700
	34,508	32,416
CONTRIBUTED CAPITAL		
Balance (unchanged during year)	9,199	9,199
Total liabilities and contributed capital	$43,707	$41,615

CITY OF KINGSTON

KINGSTON COMMUNITY MEMORIAL HEALTH AND RECREATION CENTRE

STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED DECEMBER 31, 1985

	1985			1984
	Gross Revenue	Direct Expenses	Margin or (Deficit)	Margin or (Deficit)
REVENUE				
Administrative charges recovered	$ 7,125		$ 7,125	$ 6,850
Barn rental	8,993	$ 15,965	(6,972)	(822)
Canteen operations	123,050	85,833	37,217	23,138
Ice rentals	275,887	166,508	109,379	111,900
Telephone commissions	301		301	345
Public skating	579	604	(25)	37
Other rentals	152,850	112,097	40,753	30,676
Sundry	17,470		17,470	16,077
Parking	7,173	6,251	922	188
Promotions	46,154	36,095	10,059	4,817
	$639,582	$423,353	216,229	193,206
EXPENDITURE				
Salaries and allowances			298,986	292,887
Insurance and workers' compensation			7,676	6,390
Office expense, printing, supplies and tickets			1,086	3,645
Heat, light and water			98,746	93,179
Postage, telephone, telegrams and bank charges			9,066	8,484
Miscellaneous			2,767	3,174
Capital expenditures			10,923	31,839
Maintenance of buildings, grounds and equipment			60,854	65,777
Travelling			2,046	1,406
Deficits on operations of				
Swimming pool			17,652	33,015
Harold Harvey Recreation Centre			52,367	92,165
			562,169	631,961
DEFICIT FOR THE YEAR recovered from the City of Kingston			$345,940	$438,755

CITY OF KINGSTON

KINGSTON COMMUNITY MEMORIAL HEALTH AND RECREATION CENTRE

NOTE TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1985

ACCOUNTING POLICY

Sources of financing and expenditures are reported on the accrual basis of accounting.

Thorne Riddell

Chartered Accountants

AUDITORS' REPORT

To the Board of Management of
Downtown Business Improvement Area

We have examined the balance sheet of Downtown Business Improvement Area as at December 31, 1985 and the statement of revenue and expenditure and surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the association as at December 31, 1985 and the results of its operations for the year then ended in accordance with the basis of accounting described in note 1 to the financial statements.

Thorne Riddell
Chartered Accountants

Kingston, Ontario
March 31, 1986

DOWNTOWN BUSINESS IMPROVEMENT AREA

BALANCE SHEET AS AT DECEMBER 31, 1985

ASSETS

CURRENT ASSETS	
Cash	$ 1,834
Due from City of Kingston	46,774
	$48,608

LIABILITIES

CURRENT LIABILITIES	
Accounts payable	$41,065

SURPLUS

SURPLUS	7,543
	$48,608

DOWNTOWN BUSINESS IMPROVEMENT AREA

STATEMENT OF REVENUE AND EXPENDITURE AND SURPLUS

YEAR ENDED DECEMBER 31, 1985

Revenue		
Downtown area taxes levied		$216,294
Grants from Province of Ontario		8,324
Sundry		2,006
		226,624
Expenditures		
Downtown beautification and improvements		
Flowers	$ 17,139	
Christmas signs	27,606	
Maintenance expense	700	
Salary	14,586	
	60,031	
Office operation		
Salaries and benefits	59,772	
Office supplies	2,188	
General meeting	583	
Telephone	1,266	
Office rent	2,100	
Utilities	133	
Taxes written off	11,075	
Miscellaneous	6,496	
Insurance	691	
	84,304	
Public relations and advertising		
Downtown newsletter	4,352	
Winterfest	1,905	
Santa Claus parade	500	
Tourist Bureau	3,535	
Advertising	69,627	
Events programming	20,824	
	100,743	245,078
EXCESS OF EXPENDITURE OVER REVENUE		18,454
SURPLUS AT BEGINNING OF YEAR		25,997
SURPLUS AT END OF YEAR		$ 7,543

DOWNTOWN BUSINESS IMPROVEMENT AREA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1985

1. ACCOUNTING POLICIES

These statements have been prepared using the accrual basis of accounting.

2. COMPARATIVE FIGURES

Comparative figures for the preceding year are not readily available and have been omitted from these financial statements.

KMG Thorne Riddell

Chartered Accountants

AUDITORS' REPORT

To His Worship Mayor Gerretsen,
Members of Council,
Chairman and Members of the
Public Utilities Commission, and
Inhabitants and Ratepayers of the City of Kingston:

We have examined the balance sheet of the Electric Department of the Public Utilities Commission of the City of Kingston as at December 31, 1985 and the statements of revenue and expenditure, surplus and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Electric Department as at December 31, 1985, its revenues and expenditures and the changes in financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Thorne Riddell

Kingston, Ontario
March 21, 1986

Chartered Accountants
Licence #1086

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

ELECTRIC DEPARTMENT

BALANCE SHEET AS AT DECEMBER 31, 1985

ASSETS

	1985	1984
CURRENT ASSETS		
Cash	$ 1,150	$ 1,075
Bank	2,411,847	1,424,813
	2,412,997	1,425,888
Accounts receivable		
Consumers	2,068,719	1,920,776
Miscellaneous	253,163	159,094
	2,321,882	2,079,870
Less allowance for doubtful accounts	60,000	60,000
	2,261,882	2,019,870
Unbilled revenue	1,741,490	1,490,024
Inventory of stores, etc.	628,758	597,205
Prepaid expenses	6,147	13,190
Total current assets	7,051,274	5,546,177
Equity in system of Ontario Hydro (contra)	14,292,221	13,115,371
Carried forward	$21,343,495	$18,661,548

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

ELECTRIC DEPARTMENT

BALANCE SHEET AS AT DECEMBER 31, 1985 (Continued)

ASSETS (Continued)

	1985	1984
Brought forward	$21,343,495	$18,661,548
FIXED ASSETS		
Land	202,244	202,244
Buildings	1,835,438	1,835,438
Substation equipment	2,235,898	2,235,898
Overhead distribution system	2,640,721	2,497,011
Underground distribution system	3,904,803	3,631,849
Line transformers	2,083,145	1,931,425
Meters	1,788,335	1,588,135
Transmission system	1,529,983	1,479,702
Capital work in progress	125,040	270,562
	16,345,607	15,672,264
Less accumulated depreciation	7,575,306	7,045,147
	8,770,301	8,627,117
Computer and office equipment	195,119	155,732
Less accumulated depreciation	118,874	110,949
	76,245	44,783
Tools	77,929	75,199
Less accumulated depreciation	58,678	56,102
	19,251	19,097
Automotive equipment	363,006	371,753
Less accumulated depreciation	266,665	248,172
	96,341	123,581
Net fixed assets	8,962,138	8,814,578
TOTAL ASSETS	$30,305,633	$27,476,126

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

ELECTRIC DEPARTMENT

BALANCE SHEET AS AT DECEMBER 31, 1985 (Continued)

LIABILITIES

	1985	1984
CURRENT LIABILITIES		
Accounts payable	$ 2,653,279	$ 1,986,018
Deposits on chargeable work orders	58,800	33,218
Accrued liabilities	84,806	68,999
Deferred revenue		3,000
Principal due within one year on long-term debt	218,500	199,800
Total current liabilities	3,015,385	2,291,035
LONG-TERM DEBT		
Debentures outstanding (City of Kingston)	1,660,500	1,510,300
Less principal included in current liabilities	218,500	199,800
	1,442,000	1,310,500
LONG-TERM CUSTOMERS' DEPOSITS	44,703	58,580
Total liabilities	4,502,088	3,660,115

EQUITY

CONTRIBUTED CAPITAL	275,220	205,959
Less accumulated amortization	28,208	15,879
	247,012	190,080
APPROPRIATED SURPLUS		
Reserve for equity in system of Ontario Hydro (contra)	14,292,221	13,115,371
EARNED SURPLUS		
Accumulated net income invested in plant or held for working funds	11,264,312	10,510,560
Total equity	25,803,545	23,816,011
TOTAL LIABILITIES AND EQUITY	$30,305,633	$27,476,126

PENSION PLAN (note 2)

SICK LEAVE BENEFITS (note 3)

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

ELECTRIC DEPARTMENT

STATEMENT OF EARNED SURPLUS

YEAR ENDED DECEMBER 31, 1985

	1985	1984
BALANCE AT BEGINNING OF YEAR	$10,510,560	$ 9,797,405
Net revenue for the year	753,752	713,155
BALANCE AT END OF YEAR	$11,264,312	$10,510,560

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

ELECTRIC DEPARTMENT

STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED DECEMBER 31, 1985

REVENUE

	1985	1984
SALE OF ELECTRIC ENERGY		
Domestic		
Regular	$ 6,753,057	$ 6,271,797
Heating	2,663,190	2,166,779
	9,416,247	8,438,576
Commercial and general services	17,431,617	15,628,112
Street lighting - City of Kingston	249,219	225,987
Late payment charges	118,282	103,672
Total billed revenue from sale of electric energy	27,215,365	24,396,347
Unbilled revenue increase	251,465	149,973
	27,466,830	24,546,320
INTEREST INCOME	92,232	72,300
PROPERTY RENTAL INCOME		
MacDonnell Street house	2,022	1,935
Office, workshop, yard rental		
Gas Department	17,064	17,064
Water Department	51,264	51,264
Land rental, Transit Department	7,764	7,764
	78,114	78,027
EQUIPMENT RENTAL REVENUE		
Truck rentals	38,240	29,707
Pole rentals	17,364	17,116
Cable T.V. attachments	35,188	34,476
	90,792	81,299
MISCELLANEOUS REVENUE		
Data processing services	92,782	91,241
Miscellaneous	23,468	10,589
	116,250	101,830
TOTAL REVENUE	$27,844,218	$24,879,776

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

ELECTRIC DEPARTMENT

STATEMENT OF REVENUE AND EXPENDITURE (Continued)

YEAR ENDED DECEMBER 31, 1985

EXPENDITURE

	1985	1984
ADMINISTRATION AND GENERAL		
General office salaries and wages	$ 317,842	$ 338,362
General office expenses	89,949	83,498
Advertising and promotion	8,022	11,076
General insurance	23,419	22,184
Municipal taxes	173,624	157,192
Bad debts	58,067	39,958
Miscellaneous claims	218	328
Interest on customers' deposits	2,045	2,217
	673,186	654,815
Unabsorbed labour burden		
Workers' compensation	49,236	45,602
Employees' pensions and insurance	215,401	192,526
Unemployment insurance	45,213	39,557
Health plans	63,605	54,610
Sick leave and holiday pay	390,855	353,195
	764,310	685,490
Less labour burden allocated to operations	662,009	585,489
Unabsorbed labour burden	102,301	100,001
Total administration and general	775,487	754,816
BILLING AND COLLECTION		
Meter reading and collecting	222,117	208,596
Billing and data processing	413,374	386,027
	635,491	594,623
Less customers' charges on changes of occupancy	37,301	33,652
	598,190	560,971
ELECTRICAL ENERGY PURCHASED		
Power purchased	23,899,488	21,010,621
TRANSMISSION AND TRANSFORMATION		
Substation operations	14,438	14,359
Substation maintenance	74,825	102,110
Line transformer maintenance	36,683	9,802
	125,946	126,271
Carried forward	$25,399,111	$22,452,679

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

ELECTRIC DEPARTMENT

STATEMENT OF REVENUE AND EXPENDITURE (Continued)

YEAR ENDED DECEMBER 31, 1985

EXPENDITURE (Continued)

	1985	1984
Brought forward	$25,399,111	$22,452,679
DISTRIBUTION		
Subtransmission system operation and maintenance	16,741	4,084
Overhead line maintenance	204,265	226,202
Underground line maintenance	141,913	160,162
Meter maintenance	102,396	102,116
Stores operation and maintenance	48,156	46,713
Utility equipment and maintenance	108,957	105,321
Tools and miscellaneous equipment	28,109	43,166
Property rental - service centre (Water Department)	44,688	44,688
	695,225	732,452
Less stores burden distributed	56,612	51,498
	638,613	680,954
CUSTOMER SERVICES		
Consumers' premises	210,522	204,417
GENERAL OPERATING EXPENSE		
Building repairs and maintenance	148,626	141,635
Carried forward	$26,396,872	$23,479,685

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

ELECTRIC DEPARTMENT

STATEMENT OF REVENUE AND EXPENDITURE (Continued)

YEAR ENDED DECEMBER 31, 1985

EXPENDITURE (Continued)

	1985	1984
Brought forward	$26,396,872	$23,479,685
Plant and equipment depreciation	561,330	542,917
TOTAL OPERATING EXPENDITURE	26,958,202	24,022,602
Loss on disposal of fixed assets	983	88
Debenture interest as per schedule attached	131,281	143,931
TOTAL EXPENDITURES	27,090,466	24,166,621
NET REVENUE FOR THE YEAR	753,752	713,155
	$27,844,218	$24,879,776

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

ELECTRIC DEPARTMENT

STATEMENT OF CHANGES IN FINANCIAL POSITION

YEAR ENDED DECEMBER 31, 1985

	1985	1984
WORKING CAPITAL DERIVED FROM		
Operations		
Net revenue for the year	$ 753,752	$ 713,155
Items not involving working capital		
Depreciation, less amortization of contributed capital	561,330	542,917
Loss on disposal of fixed assets	983	88
	1,316,065	1,256,160
Proceeds of long-term debt	350,000	
Increase in long-term customers' deposits		25,005
Contributed capital received	69,261	82,682
Proceeds from sale of fixed assets	1,650	
	1,736,976	1,363,847
WORKING CAPITAL APPLIED TO		
Additions to fixed assets	723,852	742,959
Reduction of long-term debt	218,500	199,800
Reduction of long-term customers' deposits	13,877	
	956,229	942,759
INCREASE IN WORKING CAPITAL	780,747	421,088
WORKING CAPITAL AT BEGINNING OF YEAR	3,255,142	2,834,054
WORKING CAPITAL AT END OF YEAR	$4,035,889	$3,255,142

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

ELECTRIC DEPARTMENT

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1985

1. ACCOUNTING POLICIES

(a) Inventories

Inventories are valued at the lower of cost and replacement cost.

(b) Fixed assets

Fixed assets are stated at cost. Depreciation is provided on the straight-line basis using the following annual rates:

Buildings and boiler equipment	1.67%
Underground distribution system	2.50%
Substation equipment and meters	2.86%
Line transformers	3.33%
Overhead distribution system	4.00%
Transmission system	4.00%
Office equipment and tools	10.00%
Water heaters	12.50%
Automotive equipment	10.00-20.00%
Computer equipment	20.00%

(c) Contributed capital

Amounts recovered from customers on capital projects are recorded as contributed capital and amortized on the straight-line basis at the same rate as the rate used for depreciation of the related fixed assets. This amortization is an offset against depreciation recorded in the accounts.

(d) Pension plan

The electric utility has provided a pension plan for employees, on which the unfunded liability for past service benefits is being amortized by annual payments to the year 1995. These costs are charged against operations in the years in which paid. The unfunded liability is not recorded in the accounts.

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

ELECTRIC DEPARTMENT

NOTES TO FINANCIAL STATEMENTS (Continued)

YEAR ENDED DECEMBER 31, 1985

2. PENSION PLAN

The unfunded requirement for past service benefits as at the balance sheet date has been actuarially determined at $368,911. The basic obligation is being funded by annual payments of $54,977 in each year to 1995.

3. SICK LEAVE BENEFITS

Under the sick leave benefit plan, unused sick leave for employees who commenced employment prior to February 1, 1981 can accumulate and employees may become entitled to a cash payment when they leave the commission's employment.

The liability for these accumulated days to the extent that it has vested and could be taken in cash by employees on terminating, amounted to $314,942 at December 31, 1985 ($290,724 in 1984). This liability is not recorded in the accounts.

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

ELECTRIC DEPARTMENT

DEBENTURE DEBT SCHEDULE - DECEMBER 31, 1985

DEBENTURE NUMBER	CITY BY-LAW NUMBER	DESCRIPTION OF WORK	ORIGINAL AMOUNT OF ISSUE	DATE OF ISSUE	TERM (SERIAL)	COUPON RATE	UNMATURED PRINCIPAL DECEMBER 31, 1985	PRINCIPAL INSTALMENTS 1985	INTEREST 1985	TOTAL DEBT CHARGES 1985
4	4904	IMPROVE AND EXTEND SYSTEM	$ 392,000	June 1/65	June 1/85	5-3/4%	$ Nil	$ 32,000	$ 767	$ 32,767
5	5248	IMPROVE AND EXTEND SYSTEM	585,800	June 1/66	June 1/86	6%	48,000	46,000	4,030	50,030
6	5986	IMPROVE AND EXTEND SYSTEM	300,000	June 1/68	June 1/88	7-1/2%	78,000	22,000	6,537	28,537
7	7134	NEW ADMINISTRATION BUILDING	870,000	Dec. 1/71	Dec. 1/91	8-1/4%	409,500	51,800	37,706	89,506
8	7956	IMPROVE AND EXTEND SYSTEM	400,000	July 15/74	July 15/94	9-3/4%	266,000	18,000	26,884	44,884
9	8385	IMPROVE AND EXTEND SYSTEM	300,000	Aug. 31/75	July 15/95	(1)	217,000	12,000	22,875	34,875
10	8351	IMPROVE AND EXTEND SYSTEM	200,000	July 31/76	July 31/96	(2)	153,000	7,000	16,464	23,464
11	9010	IMPROVE AND EXTEND SYSTEM	200,000	Aug. 15/78	Aug. 15/93	(3)	139,000	11,000	14,103	25,103
12	85-245	IMPROVE AND EXTEND SYSTEM	350,000	Dec. 12/85	Dec. 12/95	(4)	350,000		1,915	1,915
							$1,660,500	$ 199,800	$ 131,281	$ 331,081

(1) Coupon rate is 9-3/4% for first ten years and 10-1/4% for next ten years.

(2) Coupon rate is 10-1/4% for first ten years and 10-1/2% for next ten years.

(3) Coupon rate is 9-1/4% for the first five years, 9-1/2% for the next five years, and 9-3/4% for the remaining five years.

(4) Coupon rate is 9% for the first year, 9-1/2% for the second year, 9-3/4% for the third and forth years, 10% for the fifth year, and 10-3/8% for the remaining five years.

AUDITORS' REPORT

To His Worship Mayor Gerretsen,
Members of Council,
Chairman and Members of the
Public Utilities Commission, and
Inhabitants and Ratepayers of the City of Kingston:

We have examined the balance sheet of the Gas Department of the Public Utilities Commission of the City of Kingston as at December 31, 1985 and the statements of revenue and expenditure, surplus, special reserve fund and source and application of funds for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Gas Department as at December 31, 1985, its revenues and expenditures and the source and application of its funds for the year then ended in accordance with the basis of accounting described in note 1(c) to the financial statements applied consistently with that of the preceding year.

Thorne Riddell

Kingston, Ontario
March 21, 1986

Chartered Accountants
Licence #1086

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

GAS DEPARTMENT

BALANCE SHEET AS AT DECEMBER 31, 1985

ASSETS

	1985	1984
CURRENT ASSETS		
Bank	$2,305,745	$2,013,109
Accounts receivable		
Consumers	1,612,514	1,568,400
Miscellaneous	35,079	154,827
	1,647,593	1,723,227
Less allowance for doubtful debts	45,000	26,000
	1,602,593	1,697,227
Inventories of stores	271,001	220,585
Gas in storage	618,750	603,665
Prepaid expenses	576	1,177
	890,327	825,427
Total current assets	4,798,665	4,535,763
SPECIAL RESERVE FUND FOR EXTENSIONS AND IMPROVEMENTS		
Bank	166,855	80,806
UNINSURED LIABILITY CLAIMS FUND		
Bank	20,000	20,000
Carried forward	$4,985,520	$4,636,569

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

GAS DEPARTMENT

BALANCE SHEET AS AT DECEMBER 31, 1985 (Continued)

ASSETS (Continued)

	1985	1984
Brought forward	$4,985,520	$4,636,569
FIXED ASSETS		
Land	14,316	14,316
Buildings	12,451	12,451
Mains and services	7,063,075	5,598,410
Meters	989,650	885,548
Regulator stations and equipment	280,148	247,559
Propane plant	207,759	207,759
	8,567,399	6,966,043
Capital work in progress	74,790	308,650
	8,642,189	7,274,693
Less fixed assets financed out of revenue and debentures paid	8,460,189	7,028,693
	182,000	246,000
Utility and office equipment (at cost)	130,314	98,892
Less fixed assets financed out of revenue	130,314	98,892
	Nil	Nil
TOTAL ASSETS	$5,167,520	$4,882,569

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

GAS DEPARTMENT

BALANCE SHEET AS AT DECEMBER 31, 1985 (Continued)

LIABILITIES AND SURPLUS

	1985	1984
CURRENT LIABILITIES		
Accounts payable	$1,783,012	$1,643,666
Holdbacks on contracts	74,998	123,724
Accrued liabilities	13,654	9,115
Deposits	10,449	22,146
Deferred revenue	6,000	
Total current liabilities	1,888,113	1,798,651
LONG-TERM DEBT		
Debentures outstanding (City of Kingston)	182,000	246,000
PROVISION FOR UNINSURED LIABILITY CLAIMS	20,000	20,000
SPECIAL RESERVE FUND FOR EXTENSIONS AND IMPROVEMENTS	166,855	80,806
EARNED SURPLUS		
Accumulated net income held for working funds	2,910,552	2,737,112
TOTAL LIABILITIES AND SURPLUS	$5,167,520	$4,882,569

PENSION PLAN (note 2)

SICK LEAVE BENEFITS (note 3)

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

GAS DEPARTMENT

STATEMENT OF EARNED SURPLUS

YEAR ENDED DECEMBER 31, 1985

	1985	1984
BALANCE AT BEGINNING OF YEAR	$2,737,112	$2,031,894
Net revenue for the year	173,440	705,218
BALANCE AT END OF YEAR	$2,910,552	$2,737,112

STATEMENT OF SPECIAL RESERVE FUND FOR EXTENSIONS AND IMPROVEMENTS

YEAR ENDED DECEMBER 31, 1985

	1985	1984
BALANCE AT BEGINNING OF YEAR	$ 80,806	$ Nil
Contribution from current operations	75,000	75,000
Interest earned	11,049	5,806
BALANCE AT END OF YEAR	$ 166,855	$ 80,806

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

GAS DEPARTMENT

STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED DECEMBER 31, 1985

REVENUE

	1985	1984
GAS SALES		
Domestic - regular	$ 83,904	$ 88,501
- heating	2,585,404	2,533,489
	2,669,308	2,621,990
Commercial - regular	672,635	770,498
- heating	5,966,557	5,512,862
	6,639,192	6,283,360
Interruptible	5,402,863	5,760,148
Industrial	1,961,387	2,346,076
Late payment charges	37,684	43,831
	14,041,126	14,433,415
Total sales of gas	16,710,434	17,055,405
OTHER REVENUE		
Interest	251,387	235,772
Data processing services	15,997	15,731
Miscellaneous	5,401	5,526
Truck rental revenue	6,834	6,253
Propane plant rental	24,000	24,000
Gas transportation assistance subsidy	64,858	72,914
	368,477	360,196
TOTAL REVENUE	$17,078,911	$17,415,601

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

GAS DEPARTMENT

STATEMENT OF REVENUE AND EXPENDITURE (Continued)

YEAR ENDED DECEMBER 31, 1985

EXPENDITURE

	1985	1984
ADMINISTRATION AND GENERAL		
General office salaries and wages	$ 108,834	$ 106,314
General office expenses	34,076	39,208
Advertising and promotion	7,511	316
Insurance	53,633	42,986
Municipal taxes	22,628	20,470
Bad debts	53,518	6,232
Miscellaneous claims	1,312	12,801
Property rental (Electric Department)	17,064	17,064
	298,576	245,391
Overabsorbed labour burden		
Employees' pensions and insurance	67,938	63,331
Unemployment insurance	17,329	14,729
Workers' compensation	8,800	7,259
Health plans	22,789	20,195
Sick leave and holiday pay	96,329	92,253
	213,185	197,767
Less labour burden allocated to operations	243,575	219,231
Overabsorbed labour burden	(30,390)	(21,464)
Total administration and general	268,186	223,927
BILLING AND COLLECTION		
Meter reading and collecting	42,481	36,727
Billing and data processing	71,270	68,721
	113,751	105,448
Less change of occupancy charges	2,780	2,890
	110,971	102,558
Carried forward	$ 379,157	$ 326,485

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

GAS DEPARTMENT

STATEMENT OF REVENUE AND EXPENDITURE (Continued)

YEAR ENDED DECEMBER 31, 1985

EXPENDITURE (Continued)

	1985	1984
Brought forward	$ 379,157	$ 326,485
GAS PRODUCTION		
Propane plant and city gate station operating and maintenance	20,763	18,269
Building maintenance	25,513	24,855
	46,276	43,124
GAS PURCHASES		
Gas storage and transportation	164,140	154,654
Cost of natural gas purchased	13,652,494	13,433,523
Federal excise tax on natural gas	244,127	647,469
Cost of propane purchased		2,430
	14,060,761	14,238,076
DISTRIBUTION		
Mains and service maintenance	503,111	446,829
Meter maintenance	111,011	88,968
Utility equipment maintenance	25,333	20,736
Tools and equipment	13,050	16,596
Stores	9,529	12,469
Rental paid to Water Department for service centre	7,704	7,704
Inspection expense including Energy Board charges	33,556	30,563
	703,294	623,865
Less stores burden distributed	32,264	29,487
	671,030	594,378
Carried forward	$15,157,224	$15,202,063

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

GAS DEPARTMENT

STATEMENT OF REVENUE AND EXPENDITURE (Continued)

YEAR ENDED DECEMBER 31, 1985

EXPENDITURE (Continued)

	1985	1984
Brought forward	$15,157,224	$15,202,063
CUSTOMER SERVICES Consumer's premises	185,622	199,420
TOTAL OPERATING EXPENDITURE	15,342,846	15,401,483
Debenture debt charges as per schedule attached	84,360	108,575
Fixed assets financed out of current revenue	1,398,919	1,125,325
Contribution to electric department for joint use capital expenditure	4,346	
Contribution to special reserve fund	75,000	75,000
TOTAL EXPENDITURE	16,905,471	16,710,383
NET REVENUE FOR THE YEAR	173,440	705,218
	$17,078,911	$17,415,601

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

GAS DEPARTMENT

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

YEAR ENDED DECEMBER 31, 1985

	1985	1984
SOURCES OF FUNDS		
Total revenue	$17,078,911	$17,415,601
Total operating expenditure	15,342,846	15,401,483
Total provided from operations	1,736,065	2,014,118
Capital funds contributed by customers	17,374	13,176
Government of Canada capital grants		
- for extension of gas mains		96,000
- for vehicle fuel conversion	1,000	
	1,754,439	2,123,294
APPLICATIONS OF FUNDS		
Capital expenditures		
Mains and services	1,247,560	1,110,739
Meters	106,103	110,046
Regulator stations and equipment	31,209	1,671
Utility and office equipment	32,421	12,045
	1,417,293	1,234,501
Principal payments and interest charges on long-term debt	84,360	108,575
Contribution to electric department for joint use capital expenditure	4,346	
Contribution to special reserve fund	75,000	75,000
	1,580,999	1,418,076
INCREASE IN WORKING CAPITAL	173,440	705,218
WORKING CAPITAL AT BEGINNING OF YEAR	2,737,112	2,031,894
WORKING CAPITAL AT END OF YEAR	$ 2,910,552	$ 2,737,112

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

GAS DEPARTMENT

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1985

1. ACCOUNTING POLICIES

(a) Inventories

Inventories are valued at the lower of average cost and replacement cost.

(b) Pension plan

The gas utility has provided a pension plan for employees, on which the unfunded liability for past service benefits is being amortized by annual payments to the year 1995. These costs are charged against operations in the years in which paid. The unfunded liability is not recorded in the accounts.

(c) Basis of accounting

These financial statements are prepared in accordance with generally accepted accounting principles except as follows:

(i) Fixed assets are stated at cost, reduced by expenditures charged against current revenue and by principal repayments of long-term debt. Expenditures on fixed assets are charged against current revenue in the year of acquisition unless the expenditures are financed out of long-term debt, in which case debt retirement costs are charged against current revenues in the years in which they are paid. Depreciation is not provided in the accounts.

(ii) Interest charges on long-term liabilities are not accrued for the periods from the dates of the latest interest payments to the end of the financial year.

This basis of accounting is appropriate to the circumstances and operations of the Gas Department.

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

GAS DEPARTMENT

NOTES TO FINANCIAL STATEMENTS (Continued)

YEAR ENDED DECEMBER 31, 1985

2. PENSION PLAN

The unfunded requirement for past service benefits as at the balance sheet date has been actuarially determined at approximately $105,597. The basic obligation is being funded by annual payments of $15,737 in each year to 1995.

3. SICK LEAVE BENEFITS

Under the sick leave benefit plan, unused sick leave for employees who commenced employment prior to February 1, 1981 can accumulate and employees may become entitled to a cash payment when they leave the commission's employment.

The liability for these accumulated days to the extent that it has vested and could be taken in cash by employees on terminating, amounted to $92,928 at December 31, 1985 ($95,780 in 1984). This liability is not recorded in the accounts.

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

GAS DEPARTMENT

DEBENTURE DEBT SCHEDULE - DECEMBER 31, 1985

DEBENTURE NUMBER	CITY BY-LAW NUMBER	DESCRIPTION OF WORK	ORIGINAL AMOUNT OF ISSUE	DATE OF ISSUE	TERM (SERIAL)	COUPON RATE	UNMATURED PRINCIPAL DECEMBER 31, 1985	PRINCIPAL INSTALMENTS 1985	INTEREST 1985	TOTAL DEBT CHARGES 1985
9	4901	IMPROVE AND EXTEND SYSTEM	284,000	June 1/65	June 1/85	5-3/4%	$ Nil	$ 25,000	$ 1,438	$ 26,438
10	5247	IMPROVE AND EXTEND SYSTEM	199,700	June 1/66	June 1/86	6%	16,000	15,000	1,860	16,860
11	5626	PROPANE PLANT (Counter Street)	170,000	July 1/67	July 1/87	6-1/2%	28,000	13,000	2,665	15,665
12	7259	IMPROVE AND EXTEND SYSTEM	200,000	Aug. 15/78	Aug. 15/93	9-1/4% *	138,000	11,000	14,397	25,397
							$182,000	$ 64,000	$ 20,360	$ 84,360

* Coupon rate is 9-1/4% on debentures maturing within the first five years, 9-1/2% on debentures maturing within the next five years and 9-3/4% on debentures maturing within the remaining five years.

AUDITORS' REPORT

To His Worship Mayor Gerretsen,
Members of Council,
Chairman and Members of the
Public Utilities Commission, and
Inhabitants and Ratepayers of the City of Kingston:

We have examined the balance sheet of the Water Department of the Public Utilities Commission of the City of Kingston as at December 31, 1985 and the statements of revenue and expenditure, surplus, special reserve fund and source and application of funds for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Water Department as at December 31, 1985, its revenues and expenditures and the source and application of its funds for the year then ended in accordance with the basis of accounting described in note 1(c) to the financial statements applied consistently with that of the preceding year.

Thorne Riddell

Kingston, Ontario
March 21, 1986

Chartered Accountants
Licence #1086

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

WATER DEPARTMENT

BALANCE SHEET AS AT DECEMBER 31, 1985

ASSETS

	1985	1984
CURRENT ASSETS		
Cash	$ 25	$ 25
Bank	1,473,845	1,329,345
	1,473,870	1,329,370
Accounts receivable		
Consumers	214,573	217,357
Miscellaneous	42,351	273,247
	256,924	490,604
Less allowance for doubtful accounts	6,500	6,500
	250,424	484,104
Inventories of stores	178,210	171,480
Drums and cylinders (at cost)	50,563	37,063
Prepaid expenses	998	2,288
	229,771	210,831
Total current assets	1,954,065	2,024,305
SPECIAL RESERVE FUND		
Bank	196,714	98,594
UNINSURED LIABILITY CLAIMS FUND		
Bank	20,000	20,000
Carried forward	$ 2,170,779	$ 2,142,899

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

WATER DEPARTMENT

BALANCE SHEET AS AT DECEMBER 31, 1985 (Continued)

ASSETS (Continued)

	1985	1984
Brought forward	$ 2,170,779	$ 2,142,899
FIXED ASSETS		
Land	37,143	37,143
Intakes	345,064	345,064
Pumping plant	92,538	92,538
Dock	164,738	164,738
Elevated water tower including mains and connections	251,280	251,280
Underground storage reservoir	455,066	455,066
Mains and services	4,549,006	4,204,911
Meters	1,054,882	995,788
Hydrants	266,534	264,429
Valves	83,303	83,303
Purification plant	2,881,813	2,881,813
Service centre	764,669	764,669
	10,946,036	10,540,742
Barriefield watermain	348,574	348,574
Less government grant	300,000	300,000
	48,574	48,574
Capital work in progress	19,532	105,767
Utility and office equipment	429,549	379,730
	11,443,691	11,074,813
Less fixed assets financed out of revenue, debentures paid and costs recovered from Special Reserve Fund	9,794,691	9,153,813
	1,649,000	1,921,000
TOTAL ASSETS	$ 3,819,779	$ 4,063,899

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

WATER DEPARTMENT

BALANCE SHEET AS AT DECEMBER 31, 1985 (Continued)

LIABILITIES AND SURPLUS

	1985	1984
CURRENT LIABILITIES		
Accounts payable	$ 97,243	$ 299,639
Customers' deposits	28,135	21,686
Holdbacks on contracts	8,105	16,837
Accrued liabilities	23,993	13,590
Total current liabilities	157,476	351,752
PROVISION FOR UNINSURED LIABILITY CLAIMS	20,000	20,000
LONG-TERM DEBT (note 2)		
Debentures outstanding (City of Kingston)	1,649,000	1,921,000
TOTAL LIABILITIES	1,826,476	2,292,752
SPECIAL RESERVE FUND	196,714	98,594
EARNED SURPLUS		
Accumulated net income held for working funds	1,796,589	1,672,553
TOTAL LIABILITIES AND SURPLUS	$3,819,779	$4,063,899

PENSION PLAN (note 3)

SICK LEAVE BENEFITS (note 4)

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

WATER DEPARTMENT

STATEMENT OF EARNED SURPLUS

YEAR ENDED DECEMBER 31, 1985

	1985	1984
BALANCE AT BEGINNING OF YEAR	$1,672,553	$1,501,623
Net revenue for the year	124,036	170,930
BALANCE AT END OF YEAR	$1,796,589	$1,672,553

STATEMENT OF SPECIAL RESERVE FUND FOR EXTENSIONS AND IMPROVEMENTS

YEAR ENDED DECEMBER 31, 1985

	1985	1984
BALANCE AT BEGINNING OF YEAR	$ 98,594	$ 140,375
Contribution from current operations	85,000	
Interest earned	13,120	9,696
	196,714	150,071
Contribution to capital expenditures		51,477
BALANCE AT END OF YEAR	$ 196,714	$ 98,594

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

WATER DEPARTMENT

STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED DECEMBER 31, 1985

REVENUE

	1985	1984
WATER RATES		
Domestic	$1,017,266	$1,004,932
Commercial	1,874,471	1,859,121
Contract		
Other municipalities	161,113	129,553
Flat rate	917	1,247
Late payment charges	11,883	12,291
Revenue from water rates	3,065,650	3,007,144
MISCELLANEOUS REVENUE		
Property rental, service centre (Electric and Gas Departments)	52,392	52,392
City building permit fees	1,419	1,098
Frozen meter revenue	813	1,127
Equipment rentals	26,702	19,819
Interest (net)	121,649	117,169
Sundry	2,464	23,447
Data processing services	51,190	50,340
Fire hydrant charges	1,802	1,762
Local improvements overhead recovered		8,307
	258,431	275,461
TOTAL REVENUE	$3,324,081	$3,282,605

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

WATER DEPARTMENT

STATEMENT OF REVENUE AND EXPENDITURE (Continued)

YEAR ENDED DECEMBER 31, 1985

EXPENDITURE

	1985	1984
ADMINISTRATIVE AND GENERAL		
General office salaries and wages	$ 237,534	$ 218,488
General expenses	49,793	60,800
Advertising	357	149
General insurance	25,808	23,300
Municipal taxes	163,648	148,122
Property rentals (Electric Department)	51,264	51,264
Bad debts	3,318	4,598
Damage claims	170	3,148
	531,892	509,869
Unabsorbed labour burden		
Workers' compensation	25,960	21,635
Employees' pensions and insurance	129,285	122,717
Unemployment insurance	27,929	23,118
Health plans	36,097	31,962
Sick leave and holiday pay	210,582	189,187
	429,853	388,619
Less labour burden allocated to operations	381,709	342,160
Unabsorbed labour burden	48,144	46,459
Total administrative and general expenses	580,036	556,328
BILLING AND COLLECTION		
Meter reading and collecting	113,125	109,102
Billing and data processing	228,066	211,538
	341,191	320,640
Less change of occupancy charges	8,178	7,426
	333,013	313,214
POWER AND PUMPING		
Pumping operations	212,726	168,992
Pump power	208,076	202,467
Building maintenance	96,176	98,791
	516,978	470,250
Carried forward	$1,430,027	$1,339,792

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

WATER DEPARTMENT

STATEMENT OF REVENUE AND EXPENDITURE (Continued)

YEAR ENDED DECEMBER 31, 1985

EXPENDITURE (Continued)

	1985	1984
Brought forward	$1,430,027	$1,339,792
PURIFICATION		
Purification plant chemicals	52,738	54,049
Purification plant equipment maintenance	90,551	126,452
	143,289	180,501
DISTRIBUTION		
Mains and service maintenance	335,446	328,743
Meter maintenance	84,906	53,644
Utility equipment maintenance	73,692	55,862
Hydrant maintenance	50,908	43,354
Stores	22,854	19,292
Elevated water tower maintenance	4,453	5,768
Underground reservoir maintenance	10,561	10,006
Tools and miscellaneous equipment	15,410	25,552
Intake and dock maintenance	971	1,739
	599,201	543,960
Less stores burden distributed	18,311	22,439
	580,890	521,521
CUSTOMER SERVICES		
Consumers' services	111,945	95,675
TOTAL OPERATING EXPENDITURES	2,266,151	2,137,489
Debenture debt charges	461,356	467,282
Transfer to special reserve fund	85,000	
Fixed assets purchased from revenue	373,631	506,904
Contribution to electric department for joint use capital expenditure	13,907	
TOTAL EXPENDITURES	3,200,045	3,111,675
NET REVENUE FOR THE YEAR	124,036	170,930
	$3,324,081	$3,282,605

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

WATER DEPARTMENT

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

YEAR ENDED DECEMBER 31, 1985

	1985	1984
SOURCES OF FUNDS		
Total revenue	$3,324,081	$3,282,605
Total operating expenditure	2,266,151	2,137,489
Total provided from operations	1,057,930	1,145,116
Capital funds contributed by developers		62,039
Contribution from special reserve fund		51,477
	1,057,930	1,258,632
APPLICATIONS OF FUNDS		
Capital expenditures		
Mains and services	238,327	274,346
Meters	78,629	41,551
Hydrants	2,104	
Purification plant		243,824
Utility and office equipment	54,571	60,699
	373,631	620,420
Contribution to special reserve fund	85,000	
Contribution to electric department for joint use capital expenditure	13,907	
Principal payments and interest charges on long-term debt	461,356	467,282
	933,894	1,087,702
NET INCREASE IN WORKING CAPITAL	124,036	170,930
WORKING CAPITAL AT BEGINNING OF YEAR	1,672,553	1,501,623
WORKING CAPITAL AT END OF YEAR	$1,796,589	$1,672,553

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

WATER DEPARTMENT

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1985

1. ACCOUNTING POLICIES

(a) Inventories

Inventories are valued at the lower of average cost and replacement cost.

(b) Pension plan

The water utility has provided a pension plan for employees, on which the unfunded liability for past service benefits is being amortized by annual payments to the year 1995. These costs are charged against operations in the years in which paid. The unfunded liability is not recorded in the accounts.

(c) Basis of accounting

These financial statements are prepared in accordance with generally accepted accounting principles except as follows:

(i) Fixed assets are stated at cost, reduced by expenditures charged against current revenue, principal repayments of long-term debt and costs recovered from a Special Reserve Fund. Expenditures on fixed assets are charged against current revenue in the year of acquisition unless the expenditures are financed out of long-term debt, in which case debt retirement costs are charged against current revenues in the years in which they are paid. Depreciation is not provided in the accounts.

(ii) Interest charges on long-term liabilities are not accrued for the periods from the dates of the latest interest payments to the end of the financial year.

This basis of accounting is appropriate to the circumstances and operations of the Water Department.

2. LONG-TERM DEBT

In addition to the long-term debt shown on the balance sheet of the Water Department, the commission is also responsible for certain local improvements debt rates in which future levies (principal and interest) will amount to $9,307 ($18,485 in 1984).

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

WATER DEPARTMENT

NOTES TO FINANCIAL STATEMENTS (Continued)

YEAR ENDED DECEMBER 31, 1985

3. PENSION PLAN

The unfunded requirement for past service benefits as at the balance sheet date has been actuarially determined at $259,113. The basic obligation is being funded by annual payments of $38,615 in each year to 1995.

4. SICK LEAVE BENEFITS

Under the sick leave benefit plan, unused sick leave for employees who commenced employment prior to February 1, 1981 can accumulate and employees may become entitled to a cash payment when they leave the commission's employment.

The liability for these accumulated days to the extent that it has vested and could be taken in cash by employees on terminating, amounted to $227,565 at December 31, 1985 ($199,129 in 1984). This liability is not recorded in the accounts.

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

DEBENTURE DEBT SCHEDULE - DECEMBER 31, 1985

DEBENTURE NUMBER	CITY BY-LAW NUMBER	DESCRIPTION OF WORK	ORIGINAL AMOUNT OF ISSUE	DATE OF ISSUE	TERM (SERIAL)	COUPON RATE	UNMATURED PRINCIPAL DECEMBER 31, 1985	PRINCIPAL INSTALMENTS 1985	INTEREST 1985	TOTAL DEBT CHARGES 1985
28	4902	WATER RESERVOIR - (Third Avenue)	$ 465,000	June 1/65	June 1/85	5-3/4%	$ Nil	$ 38,000	$ 2,185	$ 40,185
29	5627	KING STREET WATERMAIN (W.P.P. to Sir John A. Macdonald Blvd.)	133,000	July 1/67	July 1/87	6-1/2%	23,000	10,000	2,145	12,145
30	5988	NEW SERVICE CENTRE (Counter Street)	900,000	June 1/68	June 1/88	7-1/2%	228,000	66,000	22,050	88,050
31	6276	PURIFICATION PLANT EXTENSION	1,300,000	June 1/69	June 1/89	8-1/4%	260,000	65,000	26,813	91,813
32	6426	WATER INTAKE	568,000	Dec. 1/69	Dec. 1/89	8-3/4%	200,000	40,000	21,000	61,000
33	8740	IMPROVE AND EXTEND WATER DISTRIBUTION SYSTEM	278,000	July 31/76	July 31/96	10-1/4% *	213,000	10,000	23,362	33,362
34	8304	IMPROVE AND EXTEND WATER DISTRIBUTION SYSTEM	400,000	July 31/76	July 31/96	10-1/4% *	308,000	15,000	33,838	48,838
35	9067	IMPROVE AND EXTEND WATER DISTRIBUTION SYSTEM	132,740	Aug. 15/78	Aug. 15/93	9-1/4% **	93,000	7,000	9,665	16,665
36	9157	ALBERT STREET WATERMAIN	90,000	Aug. 15/78	Aug. 15/93	9-1/4% **	63,000	5,000	6,572	11,572
37	79-223	DIVISION STREET WATERMAIN	185,000	Dec. 15/79	Dec. 15/94	11-3/4%	144,000	9,000	17,978	26,978
38	79-223	PRINCESS STREET WATERMAIN AND QUEBEC STREET WATERMAIN	150,000	Dec. 15/79	Dec. 15/94	11-3/4%	117,000	7,000	14,570	21,570
							$1,649,000	$ 272,000	$ 180,178	452,178
		ADD 1985 PAYMENTS ON PRINCIPAL AND INTEREST IN RESPECT OF WATER DEPARTMENT LOCAL IMPROVEMENT CONSOLIDATIONS PER ATTACHED SCHEDULE								9,178
										$ 461,356

* Coupon rate is 10-1/4% on debentures maturing within the first ten years and 10-1/2% on debentures maturing within the next ten years.

** Coupon rate is 9-1/4% on debentures maturing within the first five years, 9-1/2% on debentures maturing within the next five years and 9-3/4% on debentures maturing within the remaining five years.

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

WATER DEPARTMENT

DEBENTURE DEBT SCHEDULE OF

LOCAL IMPROVEMENT CONSOLIDATIONS - DECEMBER 31, 1985

DEBENTURE NUMBER	CITY BY-LAW NUMBER	DESCRIPTION OF WORK	FINAL MATURITY DATE	TOTAL FUTURE PRINCIPAL & INTEREST	PAYMENT OF PRINCIPAL & INTEREST, 1985
48	7141	BATH ROAD, PORTSMOUTH, LAPPAN'S LANE	1986	$9,307	$9,178

AUDITORS' REPORT

To His Worship Mayor Gerretsen,
Members of Council,
Chairman and Members of the
Public Utilities Commission, and
Inhabitants and Ratepayers of the City of Kingston:

We have examined the balance sheet of the Transit Department of the Public Utilities Commission of the City of Kingston as at December 31, 1985 and the statements of revenue and expenditure for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Transit Department as at December 31, 1985, and its revenues and expenditures for the year then ended in accordance with the basis of accounting described in note 1(b) to the financial statements applied consistently with that of the preceding year.

Thorne Riddell

Kingston, Ontario
March 21, 1986

Chartered Accountants
Licence #1086

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

KINGSTON PUBLIC TRANSIT SYSTEM

BALANCE SHEET AS AT DECEMBER 31, 1985

ASSETS

	1985	1984
CURRENT ASSETS		
Cash on hand	$ 525	$ 500
Cash in bank	96,593	534,465
	97,118	534,965
Accounts receivable	94,388	41,798
Recoverable deposits on containers	1,553	1,523
Prepaid expense	12,126	2,541
Due from City of Kingston, balance of deficit for the year	222,886	
Total current assets	428,071	580,827
CAPITAL ASSETS		
Fixed assets (at cost)		
Garage building	342,580	342,580
Buses	3,008,882	2,726,156
Other vehicles	15,950	15,950
Office furniture and equipment	50,016	50,016
Garage equipment	123,920	119,911
Shelters, benches and stops	193,486	54,141
	3,734,834	3,308,754
Less debentures paid and costs recovered out of subsidies and municipal rates	3,734,834	3,308,754
Total capital assets to be financed in future years	Nil	Nil
TOTAL ASSETS	$ 428,071	$ 580,827

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

KINGSTON PUBLIC TRANSIT SYSTEM

BALANCE SHEET AS AT DECEMBER 31, 1985 (Continued)

LIABILITIES

	1985	1984
CURRENT LIABILITIES		
Accounts payable	$296,644	$193,278
Employee deductions payable	24,288	17,209
Advance payment of "Busit" Program - Queen's University	42,575	41,635
Accrued liabilities	24,417	14,492
Deferred revenue	15,147	5,930
Due to the City of Kingston, overpayment on deficit for the year		283,283
Total current liabilities	403,071	555,827
Current working funds advanced by City of Kingston	25,000	25,000
TOTAL LIABILITIES	$428,071	$580,827

PENSION PLAN (note 2)

SICK LEAVE BENEFITS (note 3)

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

KINGSTON PUBLIC TRANSIT SYSTEM

STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED DECEMBER 31, 1985

REVENUE

	1985	1984
Fares - cash	$1,110,320	$1,092,365
- ticket sales	157,411	173,831
- sales of passes	424,895	361,875
	1,692,626	1,628,071
Barriefield route deficit paid by other municipality	16,475	8,733
Crossboundary route paid by other municipality	37,553	
Queen's University "Busit" Program	139,235	126,265
Charter and contract services	19,991	14,459
	1,905,880	1,777,528
Services for other transportation companies	3,006	1,569
Advertising	34,937	32,960
	1,943,823	1,812,057
Sale of photos for passes	4,772	5,490
Interest earned	33,659	34,895
Sale of used vehicles	500	7,500
Miscellaneous	3,705	5,301
Sale of senior citizens' taxi vouchers	23,564	15,205
Total revenue	2,010,023	1,880,448
LOSS FOR THE YEAR FINANCED BY: (see footnote)		
Ministry of Transportation and Communications	1,262,067	1,037,276
City of Kingston	783,321	610,474
Other municipality		2,060
	2,045,388	1,649,810
	$4,055,411	$3,530,258

NOTE:
Details of the municipal contributions:

	1985	1984
For capital expenditures out of current revenue		
Ministry of Transportation and Communications	$ 360,029	$ 232,278
General municipal rates	129,032	85,823
	489,061	318,101
For ordinary operating expenditures		
Ministry of Transportation and Communications	855,038	789,549
General municipal rates	636,480	511,656
	1,491,518	1,301,205
For area transit study		
Ministry of Transportation and Communications	47,000	15,449
Other municipality		2,060
General municipal rates		3,089
	47,000	20,598
For senior citizens' taxi program		
General municipal rates	17,809	9,906
	$2,045,388	$1,649,810

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

KINGSTON PUBLIC TRANSIT SYSTEM

STATEMENT OF REVENUE AND EXPENDITURE (Continued)

YEAR ENDED DECEMBER 31, 1985

EXPENDITURE

	1985	1984
ADMINISTRATIVE AND GENERAL		
Salaries	$ 105,899	$ 84,994
Administration charges allocated	21,000	20,000
General office expense	65,847	69,836
Advertising	1,639	835
Insurance	70	3,190
Discounts on ticket sales	1,443	3,111
Commissions on ticket and pass sales	6,635	6,045
Claims	6	
Area transit study	47,000	20,598
Employees' benefits	21,412	20,473
	270,951	229,082
PREMISES EXPENSES		
Building and grounds maintenance	38,148	37,918
Utilities service, light, heat and water	61,515	60,309
Property rental	7,764	7,764
Property insurance	929	918
Municipal realty tax	58,729	53,235
	167,085	160,144
TRANSPORTATION EXPENSE		
Labour including supervision	1,300,441	1,205,476
Fuel and lubricants	429,863	362,345
Tire rental	19,686	18,367
Insurance	68,033	52,933
General	70,230	64,106
Employees' benefits	523,138	448,460
	2,411,391	2,151,687
Carried forward	$2,849,427	$2,540,913

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

KINGSTON PUBLIC TRANSIT SYSTEM

STATEMENT OF REVENUE AND EXPENDITURE (Continued)

YEAR ENDED DECEMBER 31, 1985

EXPENDITURE (Continued)

	1985	1984
Brought forward	$2,849,427	$2,540,913
GARAGE EXPENSE		
Vehicle maintenance - labour	169,579	152,834
- material	221,158	180,635
Vehicle servicing - labour	119,240	111,438
- material	9,627	9,139
	519,604	454,046
Stores expense	21,485	19,721
Tools and equipment repairs	5,814	13,336
Expenses for other companies' labour and material	788	1,058
Employees' benefits	127,359	120,932
	675,050	609,093
TOTAL OPERATING EXPENDITURES	3,524,477	3,150,006
Senior citizens' taxi program	41,373	25,111
Debenture debt charges per schedule attached		29,540
Capital expenditures out of current revenue	489,561	325,601
TOTAL EXPENDITURES	$4,055,411	$3,530,258

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

KINGSTON PUBLIC TRANSIT SYSTEM

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1985

1. ACCOUNTING POLICIES

(a) Pension Plan

The transit department has provided a pension plan for employees, on which the unfunded liability for past service benefits is being amortized by annual payments to the year 1995. The costs are charged against operations in the years in which paid. The unfunded liability is not recorded in the accounts.

(b) Basis of accounting

These financial statements are prepared in accordance with generally accepted accounting principles except as follows:

(i) Inventories of supplies are not valued nor reported on the balance sheet.

(ii) Fixed assets are stated at cost, reduced by expenditures charged against current revenue, principal repayments of long-term debt and costs recovered out of subsidies and municipal rates. Expenditures on fixed assets are charged against current revenue in the year of acquisition unless the expenditures are financed out of long-term debt, in which case debt retirement costs are charged against current revenues in the years in which they are paid. Depreciation is not provided in the accounts.

(iii) Interest charges on long-term liabilities are not accrued for the periods from the dates of the latest interest payments to the end of the financial year.

This basis of accounting is appropriate to the circumstances and operations of the transit system.

2. PENSION PLAN

The unfunded requirement for past service benefits as at the balance sheet date has been actuarially determined at $85,556. The basic obligation is being funded by annual payments of $12,750 in each year to 1995.

PUBLIC UTILITIES COMMISSION OF THE CITY OF KINGSTON

KINGSTON PUBLIC TRANSIT SYSTEM

NOTES TO FINANCIAL STATEMENTS (Continued)

YEAR ENDED DECEMBER 31, 1985

3. SICK LEAVE BENEFITS

Under the sick leave benefit plan, unused sick leave for employees who commenced employment prior to February 1, 1981 can accumulate and employees may become entitled to a cash payment when they leave the commission's employment.

The liability for these accumulated days, to the extent that it has vested and could be taken in cash by employees on terminating, amounted to $142,862 at December 31, 1985 ($141,249 in 1984). This liability is not recorded in the accounts.

Thorne Riddell

Chartered Accountants

AUDITORS' REPORT

To His Worship Mayor Gerretsen
Members of Council
Chairman and Members of the
Kingston Public Library Board, and
Inhabitants and Ratepayers of the
City of Kingston:

We have examined the balance sheet of the Kingston Public Library Board as at December 31, 1985 and the statements of revenue and expenditure, changes in financial position, continuity of reserve funds and continuity of trust funds for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of the Kingston Public Library Board as at December 31, 1985, its revenue and expenditure, the changes in its financial position and the continuity of its reserve funds and trust funds for the year then ended in accordance with accounting policies prescribed for municipalities in Ontario which have been applied on a basis consistent with that of the preceding year.

Thorne Riddell

Chartered Accountants
Licence #1086

Kingston, Ontario
February 5, 1986

CITY OF KINGSTON

KINGSTON PUBLIC LIBRARY BOARD

BALANCE SHEET

AS AT DECEMBER 31, 1985

ASSETS	1985	1984
CURRENT ASSETS		
Cash	$ 6,620	$ 19,048
Term deposits		6,000
Accounts receivable	929	5,218
Due form City of Kingston, Revenue Fund	15,332	
Prepaid expenses	1,112	
	23,993	30,266
CAPITAL OUTLAY TO BE RECOVERED IN FUTURE YEARS	1,593,000	1,663,000
RESERVE FUND ASSETS (cash in bank and term deposit)	8,757	7,346
	$1,625,750	$1,700,612

LIABILITIES, RESERVES AND ACCUMULATED NET REVENUE		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 13,738	$ 22,453
Due to City of Kingston, Revenue Fund		1,072
Unexpended proceeds of government grants		742
	13,738	24,267
LONG-TERM DEBT FINANCED BY THE MUNICIPALITY	1,593,000	1,663,000
RESERVES AND RESERVE FUNDS	10,057	7,346
ACCUMULATED NET REVENUE	8,955	5,999
	$1,625,750	$1,700,612

ACCRUED LIABILITY (note 3)

CITY OF KINGSTON

KINGSTON PUBLIC LIBRARY BOARD

STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED DECEMBER 31, 1985

	1985 Budget	1985 Actual	1984 Actual
ACCUMULATED NET REVENUE AT THE BEGINNING OF THE YEAR	$ 5,999	$ 5,999	$ 3,012
EXPENDITURE			
Salaries			
Salaries and wages	768,549	775,136	714,940
Fringe benefits and employment taxes	91,671	96,122	85,935
	860,220	871,258	800,875
Materials, supplies and utilities			
Books	145,813	146,059	146,270
Periodicals and newspapers	19,876	17,844	17,165
Non-print materials	24,500	24,601	18,489
Utilities	44,106	51,063	39,357
Other supplies	16,493	14,996	12,167
	250,788	254,563	233,448
Services and rents			
Repairs	36,138	29,639	31,513
Miscellaneous	33,094	28,224	30,997
	69,232	57,863	62,510
Expenditures out of other government grants	12,910	28,875	27,770
Total operating expenditure	1,193,150	1,212,559	1,124,603
Principal payments on long-term debt	70,000	70,000	64,000
Interest charges on long-term debt	147,478	147,478	153,409
Total expenditure	1,410,628	1,430,037	1,342,012
REVENUE			
Municipal contribution	1,142,829	1,142,829	1,058,913
Province of Ontario grant	138,494	150,432	138,494
Other government grants	6,155	22,081	25,703
Regional library system contract receipts			
Rent	13,950	13,950	13,950
Books, reference and interlibrary	29,643	34,024	35,009
Non-resident fees	14,000	13,045	13,570
Other			
Rentals, fines and damages recovered	39,945	40,137	38,567
Sundry	19,613	16,495	20,793
Total revenue	1,404,629	1,432,993	1,344,999
ACCUMULATED NET REVENUE AT THE END OF THE YEAR	$ Nil	$ 8,955	$ 5,999

CITY OF KINGSTON

KINGSTON PUBLIC LIBRARY BOARD

STATEMENT OF CHANGES IN FINANCIAL POSITION

YEAR ENDED DECEMBER 31, 1985

	1985	1984
SOURCE OF FUNDS		
Total revenue	$1,432,993	$1,344,999
Total operating expenditure	1,212,559	1,124,603
Total provided from operations	220,434	220,396
Contributions from reserve funds	466	2,450
	220,900	222,846
APPLICATION OF FUNDS		
Capital expenditure		
Furniture, office equipment, sculpture and books	466	2,450
Principal payments on long-term debt	70,000	64,000
Interest charges on long-term debt	147,478	153,409
	217,944	219,859
NET INCREASE IN WORKING CAPITAL	2,956	2,987
WORKING CAPITAL AT THE BEGINNING OF THE YEAR	5,999	3,012
WORKING CAPITAL AT THE END OF THE YEAR	$ 8,955	$ 5,999

CITY OF KINGSTON

KINGSTON PUBLIC LIBRARY BOARD

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1985

1. ACCOUNTING POLICIES

(a) Capital outlay to be recovered in future years

No value is attached to fixed assets for municipal reporting purposes. Expenditures on fixed assets are charged against current revenue in the year of acquisition unless the expenditures are financed out of long-term debt, in which case debt retirement costs are charged against revenues in the years in which they are paid.

(b) Inventories of supplies

Inventories of supplies are not valued nor reported on the balance sheet.

(c) Charges for net long-term liabilities

Charges for net long-term liabilities include principal and interest. Interest charges are not accrued for the period from the date of the latest interest payments to the end of the fiscal year. Had this accrual been made, the accumulated net revenue as at December 31, 1985 would have been decreased by $33,063 ($34,493 in 1984).

2. BALANCE SHEET

The balance sheet is a consolidation including the assets and liabilities of the revenue fund, capital fund and reserve fund of the Kingston Public Library Board. Trust fund assets administered by the board, amounting to $1,611 ($1,506 in 1984), have not been consolidated but are reported separately.

3. ACCRUED LIABILITY

Under the library's sick leave benefit plan, unused sick leave can be accumulated and employees with not less than five years of service may become entitled to a cash payment on termination of service. The maximum potential of this accrued liability at the end of the year, in accordance with revised terms of employment adopted April 30, 1981, to the extent that it has vested and could be taken in cash by employees on terminating, amounted to $122,980 ($93,572 in 1984). No provision has been made in the accounts for this obligation.

Sick leave benefits of $Nil ($22,762 in 1984) became payable to retiring employees during 1985.

CITY OF KINGSTON

KINGSTON PUBLIC LIBRARY BOARD

SCHEDULE OF CONTINUITY OF RESERVE FUNDS

YEAR ENDED DECEMBER 31, 1985

	Total	Furnishings and Equipment	Sculpture and Books
BALANCE AT THE BEGINNING OF THE YEAR	$7,346	$ (602)	$7,948
Revenue			
Donations and interest	1,877	100	1,777
Expenditure			
Sculpture, books and equipment	466	Nil	466
BALANCE AT THE END OF THE YEAR	$8,757	$ (502)	$9,259

CITY OF KINGSTON

KINGSTON PUBLIC LIBRARY BOARD

SCHEDULE OF LIBRARY BOARD STATISTICS
(not subject to audit)

YEAR ENDED DECEMBER 31, 1985

POPULATION SERVED BY THE BOARD	
Own municipality	60,408
CIRCULATION DURING 1985	
Total	580,559
Interlibrary - total items borrowed	150
- total items loaned	1,954
- total requests handled	2,895
INFORMATION QUERIES ANSWERED IN 1985	43,161
PROGRAMME ATTENDANCE - adult	15,664
- children's	21,474
FACILITIES AT 31 DECEMBER 1985	
Permanent locations - number	3
- floor area (square feet)	72,586
- seating capacity	554
- volume capacity (feet)	69,836
Audio visual equipment - motion picture projectors	11
- film strip and slide projectors	6
- microfilm readers and reader printers	7
- microfiche readers	5
- record, tape and cassette players	23
- photocopiers	3
- video tape and cassette players	4
- computers	17

	Number added during 1984	Number at December 31, 1985 English	French	Other	Total
PRINTED MATERIALS					
Books - volumes	7,350	231,452	4,638	2,140	238,230
titles	3,991	144,433	3,590	1,911	149,934
Periodicals	-50	535	21		556
Newspaper subscriptions	0	13	2	1	16
NON-PRINT MATERIALS					
Films and film loops	42	744			
Film strips, slides, transparencies	0	85			
Sound recordings	1,527	10,914			
Microform materials	64	3,313			
Video tapes	21	54			
Talking books	941	5,520			
Computer Software	37	37			

COMPLEMENT

	Professional librarians	Other Staff
Full time staff at year-end	9.00	23.00
Part time employees during the year in full time equivalents	0.00	8.75

SALARIES OF FULL TIME PROFESSIONAL LIBRARIANS AT 31 DECEMBER 1985

Range ($)	Number of librarians	Total annual salaries ($)
40,000 - 45,000	1	40,495
30,000 - 35,000	4	125,924
22,000 - 30,000	4	109,505
	9	275,924

Thorne Riddell

Chartered Accountants

AUDITORS' REPORT

To His Worship Mayor Gerretsen
Members of Council
Chairman and Members of the
Kingston Public Library Board, and
Inhabitants and Ratepayers of the
City of Kingston:

We have examined the balance sheet of the trust funds of the City of Kingston Public Library Board as at December 31, 1985 and the statement of continuity of trust funds for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the trust funds held by the City of Kingston Public Library Board as at December 31, 1985 and the continuity of trust funds for the year then ended in accordance with accounting policies prescribed for municipalities in Ontario applied on a basis consistent with that of the preceding year.

Thorne Riddell
Chartered Accountants
Licence #1086

Kingston, Ontario
February 7, 1986

CITY OF KINGSTON

KINGSTON PUBLIC LIBRARY BOARD

TRUST FUND BALANCE SHEET

AS AT DECEMBER 31, 1985

GEORGE WAKELING TRUST

ASSETS	1985	1984
Cash	$ 621	$ 516
Investment in Bank of Nova Scotia bond	990	990
	$1,611	$1,506
FUND BALANCE		
Capital	$1,003	$1,003
Unexpended income	608	503
	$1,611	$1,506

TRUST FUND STATEMENT OF CONTINUITY

YEAR ENDED DECEMBER 31, 1985

	1985	1984
BALANCE AT BEGINNING OF YEAR	$1,506	$1,403
Interest earned	105	103
BALANCE AT END OF YEAR	$1,611	$1,506

Thorne Riddell

Chartered Accountants

CITY OF KINGSTON

RIDEAUCREST HOME FOR THE AGED

AUDITORS' REPORT

YEAR ENDED DECEMBER 31, 1985

To His Worship Mayor Gerretsen,
Members of Council,
Chairman and Members of the Rideaucrest Board of Management,
and Inhabitants and Ratepayers of the Corporation of the
City of Kingston

We have examined the balance sheet of Rideaucrest Home for the Aged of the City of Kingston as at December 31, 1985 and the statements of revenue and expenditure and allocation of net operating deficit for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the home as at December 31, 1985 and the results of its operations for the year then ended in accordance with the accounting policies prescribed for municipalities in Ontario applied on a basis consistent with that of the preceding year.

Thorne Riddell

Kingston, Ontario
February 24, 1986

Chartered Accountants
Licence #1086

CITY OF KINGSTON

RIDEAUCREST HOME FOR THE AGED

BALANCE SHEET

AS AT DECEMBER 31, 1985

ASSETS

	1985	1984
CURRENT ASSETS		
Accounts receivable		
Province of Ontario	$ 533,323	$ 500,448
Other	45,650	60,960
	578,973	561,408
Cash in transit	227,111	126,908
Inventory of supplies	20,151	18,156
	826,235	706,472
RESIDENTS' TRUSTS		
Bank, savings account	334,510	199,660
City of Kingston, 9-3/4% debentures, due July 15, 1985, par value $70,000, at cost		69,230
Term deposit, interest at 10-1/2%		100,000
	334,510	368,890
TRUST INVESTMENTS		
Bank, savings account - chapel	2,089	3,749
Bank, savings account - therapeutic garden	168	
City of Kingston, 9-3/4% debentures, due July 15, 1985, par value $30,000, at cost		29,550
Deposit with Canadian Imperial Bank of Commerce	141,017	96,454
Total investments	143,274	129,753
Less provision for loss on sale of securities (approximate market value $126,000 in 1984)		252
	143,274	129,501
CAPITAL OUTLAY TO BE RECOVERED IN FUTURE YEARS (note 3)	252,000	333,000
TOTAL ASSETS	$1,556,019	$1,537,863

CITY OF KINGSTON

RIDEAUCREST HOME FOR THE AGED

BALANCE SHEET (Continued)

AS AT DECEMBER 31, 1985

LIABILITIES AND ENDOWMENTS

	1985	1984
CURRENT LIABILITIES		
Advance from the City of Kingston, Revenue Fund	$ 562,730	$ 450,212
Residents' maintenance accounts paid in advance	7,372	2,944
Accounts payable	207,975	182,275
	778,077	635,431
PROVISION FOR RESERVES (note 4)	48,158	71,041
RESIDENTS' TRUST		
Funds held in safekeeping for residents and former residents	334,510	368,890
TRUSTS AND ENDOWMENTS		
Permanent endowments, per schedule	40,400	40,400
Expendable trusts, per schedule	102,874	89,101
	143,274	129,501
CAPITAL LIABILITIES		
6-1/2% Serial debenture, payable in varying instalments, maturing 1987	81,000	117,000
12-1/2% Serial debenture, payable in varying instalments, maturing 1988	171,000	216,000
	252,000	333,000
TOTAL LIABILITIES AND ENDOWMENTS	$1,556,019	$1,537,863

LIABILITY FOR VESTED SICK LEAVE BENEFITS (note 2)

CITY OF KINGSTON

RIDEAUCREST HOME FOR THE AGED

STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED DECEMBER 31, 1985

REVENUE

	1985	1984
Revenue from pensioners and paying residents	$1,645,330	$1,465,903
Sales tax refunds	1,191	2,308
Arrears of maintenance recovered from deceased residents' trust funds	46,500	23,967
Transferred from reserve	22,883	
	$1,715,904	$1,492,178

EXPENDITURE

RESIDENTS' SOCIAL SERVICES, ACTIVITIES AND COMFORTS		
Salaries	$ 61,552	$ 77,485
Employees' benefits	6,958	8,535
Recreation and entertainment	15,926	10,581
Hobby crafts	1,473	5,146
Comfort money and clothing	1,948	1,652
Equipment operation and maintenance	1,829	1,437
Equipment replacements	1,451	2,424
Other	884	437
	92,021	107,697
DIETARY SERVICES		
Salaries	556,003	516,158
Employees' benefits	80,540	90,351
Food costs	316,180	292,004
Replacements of dishes, cutlery, etc.	5,196	4,747
Miscellaneous supplies	17,687	15,501
Equipment operation and maintenance	5,003	3,956
Equipment replacements	15,969	5,801
	996,578	928,518
RESIDENTS' MEDICAL-NURSING SERVICES		
Salaries	2,555,151	2,251,994
Employees' benefits	308,102	304,103
Home physician	20,577	17,425
Medical-nursing supplies, drugs and medication	18,918	19,152
Equipment operation and maintenance	3,875	2,457
Equipment replacements	31,215	19,831
Other	2,468	4,015
	2,940,306	2,618,977
HOUSEKEEPING SERVICES		
Salaries	354,758	388,305
Employees' benefits	51,072	67,537
Miscellaneous supplies	4,066	23,298
Equipment operation and maintenance	291	2,090
Equipment replacements		3,746
Purchased services	87,738	
	497,925	484,976
Carried forward	$4,526,830	$4,140,168

CITY OF KINGSTON

RIDEAUCREST HOME FOR THE AGED

STATEMENT OF REVENUE AND EXPENDITURE (Continued)

YEAR ENDED DECEMBER 31, 1985

EXPENDITURE (Continued)

	1985	1984
Brought forward	$4,526,830	$4,140,168
LAUNDRY AND LINEN SERVICES		
Salaries	41,379	40,681
Employees' benefits	4,063	3,038
Purchased services	117,227	112,130
Miscellaneous supplies	49,454	39,705
Equipment operation and maintenance	657	2,587
Equipment replacements	15,636	7,836
	228,416	205,977
BUILDING AND PROPERTY - OPERATION AND MAINTENANCE		
Salaries	85,516	84,005
Employees' benefits	14,741	16,836
Heating	94,999	96,483
Other utilities	45,466	40,044
Taxes	7,100	7,100
Repairs and maintenance of buildings and grounds	37,170	63,145
Equipment operation and maintenance	24,459	22,555
Equipment replacements	10,328	10,740
Other	47,440	43,053
	367,219	383,961
GENERAL AND ADMINISTRATIVE		
Salaries	224,519	228,103
Employees' benefits	36,288	35,433
Advertising	4,054	646
Audit and administration	9,105	9,110
Insurance	4,163	4,107
Postage	1,353	1,613
Printing and stationery	7,895	3,653
Telephone	6,226	9,013
Travelling and convention	16,759	13,703
Equipment operation and maintenance	3,205	3,652
Equipment replacements	2,142	6,515
Other	15,454	6,418
	331,163	321,966
DEBT CHARGES	112,793	113,167
CAPITAL EXPENDITURES OUT OF REVENUE		
Purchases of additional equipment	22,082	39
Provision for reserves		71,041
	22,082	71,080
Total expenditures	5,588,503	5,236,319
Deduct total revenue	1,715,904	1,492,178
NET OPERATING DEFICIT FOR THE YEAR	$3,872,599	$3,744,141

CITY OF KINGSTON

RIDEAUCREST HOME FOR THE AGED

ALLOCATION OF NET OPERATING DEFICIT

YEAR ENDED DECEMBER 31, 1985

	1985	1984
Portion recoverable from Province of Ontario	$3,062,181	$2,959,279
Portion provided by City of Kingston from current tax levy	810,418	784,862
	$3,872,599	$3,744,141

CITY OF KINGSTON

RIDEAUCREST HOME FOR THE AGED

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1985

1. ACCOUNTING POLICIES

(a) Inventory

The inventory of supplies on hand is stated at estimated cost.

(b) Investments

Investments are valued and reported at cost.

(c) Basis of accounting

Sources of financing and expenditures are reported on the accrual basis of accounting with the exception of principal and interest charges on long-term liabilities and prepaid expenses which are charged against operations in the periods in which paid.

The historical costs and accumulated depreciation of fixed assets are not reported for municipal purposes. Instead the "Capital outlay to be recovered in future years", is carried at an amount equal to the outstanding principal on unmatured long-term liabilities.

2. LIABILITY FOR VESTED SICK LEAVE BENEFITS

Under the sick leave benefit plan, unused sick leave can accumulate and employees may become entitled to cash payments when they leave the home's employment. The liability for these accumulated days, to the extent that it has become vested and could be taken in cash by employees on terminating, amounted to $338,073 at December 31, 1985. The corresponding liability as at December 31, 1984 was $291,741. No provision has been made in the accounts for this liability. At current rates of subsidy, 70% or more of any payments made on this liability will be recoverable from the Province of Ontario.

3. CAPITAL OUTLAY TO BE RECOVERED IN FUTURE YEARS

The costs of fixed assets of Rideaucrest Home for the Aged are as follow:

	1985	1984
Land	$ 6,410	$ 6,410
Buildings	1,781,543	1,781,543
Furniture and fixtures	165,762	143,092
Bus for the handicapped	32,871	32,871
Kitchen renovations	610,014	608,807
Parking lot	10,640	10,640
Chapel	17,451	13,700
	2,624,691	2,597,063
These costs have been financed as follows:		
Expendable trusts, per schedule	171,884	166,336
Provincial grants	1,217,339	1,217,339
"Wintario" grant	16,436	16,436
Federal winter works subsidies	47,689	47,689
Debentures paid and fixed assets purchased from revenue	919,343	816,263
	2,372,691	2,264,063
Capital outlay to be recovered in future years, represented by outstanding debentures	$ 252,000	$ 333,000

4. PROVISION FOR RESERVES

Reserves have been established for the following projects as a transfer from Revenue Fund:

Feasibility study	$ 48,158	$ 60,000
Telephone study		11,041
	$ 48,158	$ 71,041

CITY OF KINGSTON

RIDEAUCREST HOME FOR THE AGED

SCHEDULE OF TRUSTS AND ENDOWMENTS

AS AT DECEMBER 31, 1985

	1985	1984
PERMANENT ENDOWMENTS		
Welch bequest #2	$ 23,500	$ 23,500
Renton endowment bequest	15,000	15,000
Watkins bequest	900	900
Skinner bequest	1,000	1,000
	$ 40,400	$ 40,400
EXPENDABLE TRUSTS		
Welch bequest #1	$ 20,000	$ 20,000
Cunningham bequest	1,000	1,000
L. G. Haffner bequest	1,000	1,000
Fisher bequest	250	250
Estate of Andrew J. Flannigan	3,229	3,229
Dr. Third bequest	1,000	1,000
Estate of Rebecca Guild	500	500
Estate of William R. Clugston	12,667	12,667
Estate of Mabel Hewitt	8,279	8,279
Estate of Ada MacPherson	5,000	5,000
Estate of Olive Laura Drury	5,352	5,352
Estate of John Lee Kenny	2,175	2,175
Estate of F. E. Knight	200	200
Estate of W. G. O'Dell	17,251	17,251
Estate of Norman A. Egar	10,000	
Other general trusts	24,552	23,840
Interest on investments	133,213	120,492
Chapel donations	9,415	6,841
Therapeutic garden	750	
	255,833	229,076
Less amount appropriated from unspecified trusts		
In 1956-57 for building construction	49,495	49,495
In 1976 for air conditioning	18,777	18,777
In 1978 for drapes	9,466	9,466
In 1978 for bus for the handicapped	16,435	16,435
In 1978 for public address system	8,837	8,837
In 1982 for kitchen renovations	17,945	17,945
In 1983 for parking lot	5,320	5,320
In 1984 for chapel	13,700	13,700
In 1985 for chapel	3,753	
In 1985 for kitchen renovations	1,207	
In 1985 for therapeutic garden	588	
	145,523	139,975
In 1985 for chapel operations	4,436	
In 1985 for Christmas gifts	3,000	
	152,959	139,975
	$102,874	$ 89,101
TRUSTS EXPENDED ON CAPITAL ASSETS		
Welch bequest #3	$ 22,000	$ 22,000
Caton bequest	2,000	2,000
Estate of Mabel Hewitt	2,361	2,361
Unspecified trusts	145,523	139,975
	$171,884	$166,336

1985 FINANCIAL INFORMATION RETURN

MUNICIPALITY: CITY of KINGSTON

in the Region, County or District of: FRONTENAC

DECLARATION OF THE MUNICIPAL TREASURER

Pursuant to the determination of grants under the Ontario Unconditional Grants Act, and to the information required by the Province under the Municipal Affairs Act, the following schedules are attached:

		Attached
1	Analysis of Revenue Fund Revenues	X
2LT	Analysis of Taxation	X
2UT	Analysis of Upper Tier Requisitions and Direct Charges	—
2MA	Analysis of Taxation in Merged Areas	—
3	Analysis of Current Revenue for Specific Functions	X
4	Analysis of Revenue Fund Expenditures	X
5	Analysis of Capital Operations	X
6	Analysis of Capital Grants and Own Expenditures	X
7	Analysis of Net Long Term Liabilities By Function	X
8	Analysis of Long Term Liabilities and Commitments	X
9LT	Continuity of Upper Tier and School Board Levies	X
10	Continuity of Reserves and Reserve Funds	X
11	Analysis of Consolidated Year End Balances	X
12	Statistical Data	X
13	Grant Information	X
14	Grant Information	—

The schedules have been drawn up in accordance with the instructions provided by the Ministry of Municipal Affairs. They represent the consolidated financial activities of the municipality, all local boards, including joint boards where applicable and any other local corporate entities set up by the municipality to provide services to ratepayers. The consolidated local boards and entities are:

- Kingston Public Library Board
- Kingston Community Memorial Health and Recreation Centre
- Public Utilities Commission of the City of Kingston (Water and Transit Departments)
- "Rideaucrest," Home for the Aged
- Garbage Fund
- Board of Police Commissioners
- Parking Operations
- Grand Theatre
- Downtown Kingston Business Improvement Area and Business Association

Omitted from consolidation due to unavailability of information

- Kingston, Frontenac and Lennox and Addington Health Unit

Trust funds administered by the municipality and its local boards, harbour commissions, humane societies, municipal non-profit housing corporations, provincial-municipal housing authorities, sinking funds, retirement or pension plan funds, school boards, conservation authorities, children's aid societies, district health councils, municipal hospitals and gas, telephone and hydro utilities are not consolidated.

The schedules have been prepared by The City of Kingston
(Auditor's firm or name of Municipality)

Questions regarding the information contained in them should be addressed to

Richard Fiebig at (613) 546-4291
(Area code and telephone)

Date 1986

R K Fiebig
Municipal Treasurer

ACCOUNTANT'S COMMENTS
for the year ended December 31, 1985

Municipality
CITY OF KINGSTON

KMG Thorne Riddell
Chartered Accountants

ACCOUNTANTS' COMMENTS

To the Ministry of Municipal Affairs

Our examination of the financial statements of the City of Kingston for the year ended December 31, 1985 was made for the purpose of forming an opinion on the financial statements referred to in our auditors' report to the members of council, inhabitants and ratepayers dated April 3, 1986.

At your request, we have performed the following procedures in connection with Schedules 1 to 11 of the Financial Information Return of the City of Kingston for the year ended December 31, 1985:

(a) we have compared the amounts disclosed on these schedules to the books and records of the city and found them to be in agreement;

(b) we have added and cross-added all schedules; and

(c) we have cross-referred the information on the schedules where applicable.

The above-noted schedules have not been subjected to the auditing procedures applied on the examination of the financial statements and accordingly we do not express an opinion on the fair presentation of this information.

Thorne Riddell

Kingston, Ontario
April 3, 1986

Chartered Accountants
Licence #1086

ANALYSIS OF REVENUE FUND
REVENUES (unaudited)

for the year ended December 31, 1985

Municipality

CITY OF KINGSTON

1

		total revenue	upper tier purposes	school board purposes	own purposes
		Note: Upper tiers use column 4 only			
		1 $	2 $	3 $	4 $
Taxation					
Taxation from schedule 2LT (or requisitions from schedule 2UT)	1	39,934,947		19,959,486	19,975,461
Direct water billings on ratepayers — own municipality	2	2,892,654			2,892,654
— other municipalities	3	161,113			161,113
Sewer surcharge on direct water billings — own municipality	4				
— other municipalities	5				
Subtotal	6	42,988,714		19,959,486	23,029,228
Payments in lieu of taxes					
Canada	7	1,181,604			1,181,604
Canada enterprises	8				
Ontario					
The Municipal Tax Assistance Act	9	339,225			339,225
The Municipal Act, section 160	10	774,950			774,950
Other	11				
Ontario enterprises					
Ontario Housing Corporation	12	748,798		381,910	366,888
Ontario Hydro	13	21,913			21,913
Liquor Control Board of Ontario	14	23,577			23,577
Other	15				
Municipal enterprises	16	661,684			661,684
Other municipalities and enterprises	17				
Subtotal	18	3,751,751		381,910	3,369,841
Ontario unconditional grants					
Per household general	19	764,850			764,850
Per household police	20	1,274,750			1,274,750
Per household density	21				
Transitional and special assistance	22				
Resource equalization	23	2,805,097			2,805,097
General support	24	1,679,593			1,679,593
Northern special support	25				
Apportionment guarantee	26				
Revenue guarantee	27				
Subtotal	28	6,524,290			6,524,290
Revenues for specific functions					
Ontario specific grants	29	9,639,893			9,639,893
Canada specific grants	30	55,463			55,463
Other municipalities—grants and fees	31	72,360			72,360
Fees, service charges and donations	32	8,339,913			8,339,913
Subtotal	33	18,107,629			18,107,629
Other revenue					
Trailer revenue and licences	34				
Licences and permits	35	387,256			387,256
Fines	37	442,492			442,492
Penalties and interest on taxes	38	445,973			445,973
Investment income—from own funds	39				
—other	40	772,375			772,375
Lot levies and subdivider contributions	41	13,000			13,000
Sale of publications, equipment, etc.	42	36,607			36,607
Contributions from capital fund	43				
Contributions from reserves and reserve funds	44	591,868			591,868
Contributions from non consolidated entities	45	2,095			2,095
.	46				
.	47				
.	48				
Sale of land	49	650,408			650,408
Subtotal	50	3,342,074			3,342,074
Total revenue	51	74,714,458		20,341,396	54,373,062

ANALYSIS OF TAXATION
(consolidated)
for the year ended December 31, 1985

CITY OF EDMONTON

2LT

	For municipal use only	LOCAL TAXABLE ASSESSMENT			MILL RATES		TAXES LEVIED			SUPPLEMENTARY TAXES			TOTAL TAXES
		residential and farm	commercial and industrial	business	residential and farm	commercial and industrial and business	residential and farm	commercial and industrial	business	residential and farm	commercial and industrial	business	total columns 6 to 11
		1 $	2 $	3 $	4	5	6 $	7 $	8 $	9 $	10 $	11 $	12 $
I. Own purposes													
(a) Levied by mid rate													
General	0 1 0 1 0	87,136,618	29,735,772	12,532,970	120.590	142.823	10,511,942	4,229,111	1,782,477	60,178	69,812	77,761	16,731,281
police villages at reduced rates	0 1 0 2												
farms at reduced rates	0 1 0 3												
	0 1												
	0 1												
	0 1												
Special area rates and police villages													
Garbage Fund	0 1	340,911,853	29,735,772		12.505	12.505	1,760,103	371,896		6,432	3,937		2,144,368
	0 1												
	0 1												
	0 1												
	0 1												
	0 1												
						Subtotal levied by mill rate 1	12,256,045	4,600,927	1,782,477	65,610	69,734	77,761	18,899,604
(b) Other charges on tax bills					Share of telephone and telegraph taxation 0 1 2 1 0	2		687,296					687,296
					Local improvements 0 1 2 2 0		127,101	54,578					181,679
					Sewer and water service charges 0 1 2 3 0			999					999
					Sewer and water connection charges 0 1 2 4 0								
					Parking Lot Area Rate Fire service charges 0 1 2 5 0			12,146					12,146
					Minimum tax (differential only) 0 1 2 6 0								
					Municipal drainage charges 0 1 2 7 0								
					Garbage collection charges 0 1 2 8 0								
					Business improvement area 0 1 2 9 0		[redacted]	[redacted]	216,293				216,293
					Downtown Revitalization 0 1 3 0 0				41,250				41,250
					Subtotal special charges on tax bills	3	127,101	695,813	257,543				1,079,457
					Total own purposes taxation 0 1 5 2 0	4	12,423,146	5,296,170	2,040,020	68,610	69,734	77,761	19,979,061
II. Upper tier purposes													
(a) Levied by mill rate													
General	0 2 0 1 0												
Special purposes													
	0 2												
	0 2												
	0 2												
	0 2												
	0 2												
						Subtotal levied by mill rate 5							
(b) Other charges on tax bills					Share of telephone and telegraph taxation 0 2 2 1 0	6							
					Local improvements 0 2 2 2 0								
					Sewer and water service charges 0 2 2 3 0								
					Sewer and water connection charges 0 2 2 4 0								
					Fire service charges 0 2 2 5 0								
					0 2 3 0 0								
					Subtotal special charges on tax bills	7							
					Total upper tier taxation 0 2 3 2 0	8							
III. School board purposes													
Elementary public													
Province County Bd of Ed (Gen)	0 3 0 1	69,878,636	27,805,613	11,836,930	82.532	97.091	5,767,224	2,699,562	1,149,049	29,319	41,614	48,276	9,735,324
Province County Bd of Ed (Y.M.C.A.)	0 3 0 1	178,336			82.532		14,718						14,718
					Share of telephone and telegraph taxation 0 3 2 1 0	9		321,065					321,065
					Subtotal elementary public	10	5,781,942	3,020,687	1,149,049	29,319	41,614	48,276	10,071,067
Elementary separate													
Province-Lennox and Addington RC. Sep School Bd	0 4 0 1	17,257,969	1,930,159	698,940	72.835	85.698	1,256,985	165,391	59,821	11,588	2,930	4,867	1,501,032
	0 4 0 1												
						Subtotal elementary separate 11	1,256,985	165,391	59,821	11,588	2,930	4,867	1,501,032
Secondary													
Province County Bd of Ed (Gen)	0 5 0 1	87,136,618	29,735,772	12,532,970	58.511	68.836	5,099,451	2,046,930	863,729	30,095	31,855	37,636	8,109,696
Province County Bd of Ed (Y.M.C.A.)	0 5 0 1	178,336			58.511		10,435						10,435
					Share of telephone and telegraph taxation 0 5 2 1 0	12		269,253					269,253
					Subtotal secondary	13	5,109,886	2,316,183	863,729	30,095	31,855	37,636	8,389,384
					Total all school board purposes 0 6 1 5 0	14	12,147,813	5,502,261	2,072,599	71,002	76,399	90,779	19,960,853

ANALYSIS OF CURRENT REVENUE
FOR SPECIFIC FUNCTIONS
(unaudited)
for the year ended December 31, 1985

Municipality: CITY OF KINGSTON

		Ontario specific grants	Canada grants	other municipalities grants, fees and service charges	fees, service charges and donations
		1 $	2 $	3 $	4 $
General government	1	14,168	2,057		281,396
Protection to persons and property					
Fire	2				
Police	3	54,810			11,693
Conservation authority	4				28,098
Protective inspection and control	5				
	6				29,558
Subtotal	7	54,810			69,349
Transportation services					
Roadways	8	773,750			
Winter control	9	399,700			612,766
Transit	10	1,056,082			
Parking	11			72,360	1,921,836
Street lighting	12				1,237,929
Air transportation	13	38,575			
	14				57,109
Subtotal	15	2,268,107		72,360	3,829,730
Environmental services					
Sanitary sewer system	16				
Storm sewer system	17				38,054
Waterworks system	18				
Garbage collection	19				135,303
Garbage disposal	20				
Pollution control	21				
	22				32,253
Subtotal	23				205,610
Health services					
Public health services	24				
Public health inspections and control	25				
Hospitals	26				
Ambulance services	27				
Cemeteries	28				
	29				
Subtotal	30				
Social and family services					
General assistance	31	3,465,767			
Assistance to aged persons	32	3,062,181			3,714
Assistance to children	33	57,737			1,708,233
Day nurseries	34	516,437			
	35				49,290
Subtotal	36	7,102,122			1,761,237
Recreation and cultural services					
Parks and recreation	37	34,560			
Libraries	38	150,432	22,081		1,928,287
Other cultural	39	8,242			77,514
Subtotal	40	193,234	22,081		137,454
					2,143,255
Planning and development					
Planning and zoning	41	2,018			
Commercial and industrial	42				44,723
Residential development	43	5,434	31,325		
Agriculture and reforestation	44				4,550
Tile drainage/shoreline assistance	45				
	46				
Subtotal	47	7,452	31,325		49,273
Electricity	48				
Gas	49				
Telephone	50				
Total	51	9,639,893	55,463	72,360	8,339,013

ANALYSIS OF REVENUE FUND
EXPENDITURES
(Consolidated)
for the year ended December 31, 1985

Municipality: CITY OF KINGSTON

4

		1 salaries, wages and employee benefits $	2 net long term debt charges $	3 materials, services, rents and financial expenses $	4 transfers to own funds $	5 other transfers $	6 inter-functional transfers $	7 total expenditure $	
General government	1	1,839,566	197,736	1,718,360	910,759	80,726		4,777,147	1
Protection to persons and property									
Fire	2	4,221,859		137,933	33,138			4,392,930	2
Police	3	5,562,234	164,525	471,248	135,798			6,333,805	3
Conservation authority	4				8,460	121,114		129,574	4
Protective inspection and control	5	337,534		35,853	4,058	50,000		427,445	5
.	6								6
Subtotal	7	10,121,627	164,525	645,034	181,454	171,114		11,283,754	7
Transportation services									
Roadways	8	1,649,564	541,371	906,322	343,032	107,850		3,548,559	8
Winter control	9	535,873		904,363				1,440,236	9
Transit	10	2,426,773		1,073,758	149,729	196,797		3,845,057	10
Parking	11	420,873	303,896	345,094	269,548			1,539,411	11
Street lighting	12			295,785	40,000			425,785	12
Air transportation	13	37,893	30,875	197,490	29,155			295,413	13
.	14								14
Subtotal	15	5,069,396	876,142	4,012,812	831,464	304,647		11,094,461	15
Environmental services									
Sanitary sewer system	16	418,048	776,686	329,113	1,418			1,525,265	16
Storm sewer system	17	15,085		10,209				25,294	17
Waterworks system	18	1,382,023	461,356	884,126	472,538			3,200,045	18
Garbage collection	19	736,963		223,664	84,694			1,043,321	19
Garbage disposal	20			1,101,459				1,101,459	20
Pollution control	21	102,791		459,069	1,827			563,687	21
.	22								22
Subtotal	23	2,652,850	1,238,042	3,007,642	560,477			7,459,011	23
Health services									
Public health services	24								24
Public health inspections and control	25					276,190		276,190	25
Hospitals	26								26
Ambulance services	27					135,000		135,000	27
Cemeteries	28								28
.	29								29
Subtotal	30					411,190		411,190	30
Social and family services									
General assistance	31	579,838		85,415	1,024	3,881,305		4,547,582	31
Assistance to aged persons	32	4,980,685	112,792	1,099,321	119,788	69,251		5,781,771	32
Assistance to children	33	46,252		13,579	4,569	314,000		378,800	33
Day nurseries	34	396,474		293,397				689,871	34
.	35								35
Subtotal	36	5,403,198	112,792	1,491,712	125,772	4,264,556		11,398,024	36
Recreation and cultural services									
Parks and recreation	37	2,688,787	30,134	1,745,112	263,433	294,086		5,027,552	37
Libraries	38	871,258	217,477	341,767				1,430,502	38
Other cultural	39	111,388		118,933	121,308			351,629	39
Subtotal	40	3,671,433	247,611	2,205,812	390,741	294,086		6,809,683	40
Planning and development									
Planning and zoning	41	317,037		39,500	13,883			370,420	41
Commercial and industrial	42	47,923	148,518	151,937	100,533	150,518		599,729	42
Residential development	43	32,544		17,669	15,669			65,882	43
Agriculture and reforestation	44								44
Tile drainage/shoreline assistance	45								45
.	46								46
Subtotal	47	397,504	148,518	209,106	130,385	150,518		1,036,031	47
Electricity	48								48
Gas	49								49
Telephone	50								50
Total	51	29,155,568	2,985,366	13,290,478	3,161,052	5,676,837		54,269,301	51

		8 $	
Total of column 2 includes:			
Payments to Ontario in respect of Downtown Revitalization Program loans	81	NIL	
Accrued interest (enter an amount only if the change to the accrual basis was made in this reporting year)	82		
Interest portion of transit debt charges included on line 10	83		
Total of column 3 includes:			
Ministry of the Environment			
Provincial projects service charges —water	52		
—sewer	53		
Provincial projects frontage and connection charges—water	57		
—sewer	58		
Joint projects operating charges —water	54		
—sewer	55		
O.P.P. policing contracts	56	NIL	
Short term interest costs	60	112,965	
Total of column 5 includes:			
Grants to charitable and non-profit organizations	62	843,309	
Grants to universities and colleges	63	NIL	
Contributions to UNCONSOLIDATED			
Joint local boards			
Health unit	64		
District welfare board	65		
Home for the aged	66		
Recreation board(s)	67		
Fire area board	68		
Suburban roads commission	69	107,850	
.	70		
.	71		
Line 1 of column 7 includes:			
Members of council	72	199,266	
Line 51 of column 7 includes:			
Payments in respect of long term commitments and liabilities financed from revenue, as approved by the Ontario Municipal Board. Exclude debt charges reported in column 2.	73	233,525	

ANALYSIS OF CAPITAL OPERATIONS
(unaudited)
for the year ended December 31, 1985

Municipality: CITY OF KINGSTON

5
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		1 5
Unfinanced capital outlay (Unexpended capital financing) at the beginning of the year	1	3,707,151
Sources of financing		
Contributions from own funds		
Revenue fund	2	1,813,226
Reserves and reserve funds	3	786,734
Subtotal	4	2,599,960
Long term liabilities incurred		
Central Mortgage and Housing Corporation	5	
Ontario Municipal Improvement Corporation	7	
Commercial Area Improvement Program	9	1,500,000
Other Ontario housing programs	10	
Ministry of the Environment	11	
Tile drainage and shoreline property assistance programs	12	
The Public		
Serial debentures	13	4,350,000
Sinking fund debentures	14	
.	15	
.	16	
.	17	
Subtotal*	18	5,850,000
Grants and loan forgiveness		
Ontario	20	1,040,359
Canada	21	149,700
Other municipalities	22	
Subtotal	23	1,190,059
Other financing		
Prepaid special charges	24	14,945
Proceeds from sale of fixed assets	25	500
Investment income		
From own funds	26	
Other	27	15,329
Donations	28	132,705
Lot levies and subdivider contributions	29	8,000
.	30	1,011
.	31	
Subtotal	32	172,489
Total sources of financing	33	9,812,509
Applications		
Own expenditures		
Short term interest costs	34	
Other	35	6,017,866
Subtotal	36	
Transfers of proceeds from long term liabilities to:		
Other municipalities	37	
Unconsolidated local boards	38	350,000
Individuals	39	
Subtotal	40	
Transfers to reserves, reserve funds and the revenue fund	41	
Total applications	42	6,367,866
Unfinanced capital outlay (Unexpended capital financing) at the end of the year	43	262,509
Amount reported in line 43 analysed as follows:		
Unapplied capital receipts	44	(98,930)
To be recovered from:		
—taxation or user charges within term of council	45	
—proceeds from long term liabilities	46	361,439
—transfers from reserves and reserve funds	47	
—other (specify)	48	
Total unfinanced capital outlay (unexpended capital financing)	49	262,509
*amount in line 18 raised on behalf of other municipalities	19	NIL

ANALYSIS OF CAPITAL GRANTS AND OWN EXPENDITURES
(unaudited)
for the year ended December 31, 1985

Municipality: CITY OF KINGSTON

6
10

		CAPITAL GRANTS			TOTAL OWN EXPENDITURES
		Ontario grants	Canada grants	Other municipalities	
		1 $	2 $	3 $	4 $
General government	1				64,262
Protection to persons and property					
Fire	2				33,138
Police	3				168,253
Conservation authority	4				
Protective inspection and control	5				4,058
.	6				
Subtotal	7				205,449
Transportation services					
Roadways	8	545,983			1,820,750
Winter control	9				
Transit	10	372,623			545,352
Parking	11				75,440
Street lighting	12				6,724
Air transportation	13	91,108	149,700		198,645
.	14				
Subtotal	15	1,009,714	149,700		2,646,911
Environmental services					
Sanitary sewer system	16				69,559
Storm sewer system	17	14,228			698,016
Waterworks system	18				402,193
Garbage collection	19				185,475
Garbage disposal	20				
Pollution control	21				1,827
.	22				
Subtotal	23	14,228			1,357,075
Health services					
Public health services	24				
Public health inspections and control	25				
Hospitals	26				
Ambulance services	27				
Cemeteries	28				
.	29				
Subtotal	30				
Social and family services					
General assistance	31				1,024
Assistance to aged persons	32				78,823
Assistance to children	33				
Day nurseries	34				4,966
.	35				
Subtotal	36				84,813
Recreation and cultural services					
Parks and recreation	37	16,417			205,695
Libraries	38				
Other cultural	39				45,268
Subtotal	40	16,417			250,963
Planning and development					
Planning and zoning	41				13,883
Commercial and industrial	42				1,329,260
Residential development	43				64,925
Agriculture and reforestation	44				
Tile drainage/shoreline assistance	45				
.	46				
Subtotal	47				1,408,068
Electricity	48				325
Gas	49				
Telephone	50				
Total	51	1,040,359	149,700		6,017,866

ANALYSIS OF NET LONG TERM LIABILITIES BY FUNCTION
(unaudited)
as at December 31, 1985

Municipality: CITY OF KINGSTON

7
11

			1 $
General government		1	1,148,000
Protection to persons and property			
Fire			
Police		2	
Conservation authority		3	633,000
Protective inspection and control		4	
.		5	
		6	
	Subtotal	7	633,000
Transportation services			
Roadways			
Winter control		8	2,793,952
Transit		9	
Parking		10	
Street lighting		11	2,403,000
Air transportation		12	
.		13	6,000
		14	77,000
	Subtotal	15	5,279,952
Environmental services			
Sanitary sewer system			
Storm sewer system		16	3,235,820
Waterworks system		17	
Garbage collection		18	1,727,032
Garbage disposal		19	
Pollution control		20	
.		21	
		22	
	Subtotal	23	4,962,852
Health services			
Public health services			
Public health inspections and control		24	225,000
Hospitals		25	
Ambulance services		26	
Cemeteries		27	
.		28	
		29	
	Subtotal	30	225,000
Social and family services			
General assistance			
Assistance to aged persons		31	
Assistance to children		32	252,000
Day nurseries		33	
.		34	
		35	
	Subtotal	36	252,000
Recreation and cultural services			
Parks and recreation			
Libraries		37	390,700
Other cultural		38	1,593,000
		39	
	Subtotal	40	1,983,700
Planning and development			
Planning and zoning			
Commercial and industrial		41	
Residential development		42	2,223,720
Agriculture and reforestation		43	
Tile drainage/shoreline assistance		44	
.		45	
		46	
	Subtotal	47	2,223,720
Electricity		48	1,660,500
Gas		49	182,000
Telephone		50	
	Total	51	18,550,724

ANALYSIS OF LONG TERM LIABILITIES AND COMMITMENTS
(unaudited)

for the year ended December 31, 1985

CITY OF KINGSTON

			1 $
1. Calculation of debt burden of the municipality			
All debt issued by the municipality, predecessor municipalities and consolidated entities			
: To Ontario and agencies		1	3,334,110
: To Canada and agencies		2	214,852
: To other		3	14,930,620
	Subtotal	4	18,779,582
Plus: All debt assumed by the municipality from others		5	
Less: All debt assumed by others			
: Ontario		6	
: Schoolboards		7	228,858
: Other municipalities		8	
	Subtotal	9	228,858
Less: Ministry of the Environment debt retirement funds —sewer		10	
—water		11	
Own sinking funds (actual balances) —general municipal		12	
—enterprises and other		13	
	Subtotal	14	
	Total	15	18,550,724
Sinking fund debentures		16	
Instalment (serial) debentures		17	16,327,004
Long term bank loans		18	
Lease purchase agreements		19	
Mortgages		20	723,720
Ministry of the Environment		22	
Provincial Loan - Downtown Revitilization		23	1,500,000
		24	
2. Total debt payable in foreign currencies (net of sinking fund holdings)			$
U.S. dollars—Canadian dollar equivalent included in line 15 above		25	N/A
Other —per value of this amount in U.S. dollars		26	
—Canadian dollar equivalent included in line 15 above		27	
—per value of this amount in _____		28	
3. Interest earned on sinking funds and debt retirement funds during the year			$
Own funds		29	N/A
Ministry of the Environment—sewer		30	
—water		31	
4. Actuarial balance of own sinking funds at year end		32	$ N/A
5. Long term commitments and contingencies at year end			$
Total liability for accumulated sick pay credits		33	4,669,954
Total liability under OMERS plans —initial unfunded (payable over 13 years) (number of employees ____)		34	4,228,030
—actuarial deficiency (payable over ____ years)		35	
Total liability for own pension funds —initial unfunded (payable over ____ years) (number of employees ____)		36	
—actuarial deficiency (payable over ____ years)		37	
Outstanding loans guaranteed (payable over ____ years)		38	
Commitments and liabilities financed from revenue, as approved by the Ontario Municipal Board —hospital support (5x120,000)		39	600,000
—university support		40	
—leases and other agreements		41	190,136
Other (specify) . Contract for Disposal of Garbage (Est. Capital Portion)		42	
		43	214,960
		44	
	Total	45	9,702,080

6. Ministry of the Environment Provincial Projects

		accumulated surplus (deficit)	total outstanding capital obligation	debt charges
		1 $	2 $	3 $
Water projects —for this municipality only	46			N/A
—share of integrated project(s)	47			
Sewer projects —for this municipality only	48			
—share of integrated project(s)	49			N/A

7. 1985 Debt Charges

		principal 1 $	interest 2 $
Recovered from the consolidated revenue fund			
—general tax rates	50	1,239,276	899,874
—special area rates and special charges	51		
—benefitting landowners	52	71,345	18,798
—user rates (consolidated entities)	53	392,000	361,073
Recovered from reserve funds	54		
Recovered from unconsolidated entities			
—hydro	55	199,800	135,397
—gas and telephone	57	64,000	20,360
—	56	13,000	26,330
—	58		
—	59		
Total	78	1,982,421	1,459,832

8. Future principal and interest payments on existing net debt

		recoverable from the consolidated revenue fund		recoverable from reserve funds		recoverable from unconsolidated entities	
		principal	interest	principal	interest	principal	interest
		1 $	2 $	3 $	4 $	5 $	6 $
1986	60	2,045,322	1,526,048			260,500	171,275
1987	61	1,819,367	1,306,059			211,000	150,354
1988	62	1,995,743	1,122,268			209,000	131,766
1989	63	1,517,978	947,347			196,000	112,941
1990	64	1,388,906	792,979			207,000	94,754
1991-1995	65	6,036,808	1,872,813			738,000	805,596
1996 onwards	79	505,000	59,403			21,000	2,205
Interest to be earned on sinking funds*	69						
Downtown revitalization program	70	1,500,000	150,000				
Total	71	16,708,224	7,776,917			1,842,500	868,891

*includes interest to be earned on Ministry of the Environment debt retirement funds

9. Future principal payments on expected new debt

		1 $
1986		
1987	72	250,000
1988	73	500,000
1989	74	750,000
1990	75	1,000,000
	76	1,250,000
Total	77	3,750,000

10. Other notes (attach supporting schedule as required)

CONTINUITY OF UPPER TIER AND SCHOOL BOARD LEVIES
(unaudited)
for the year ended December 31, 1985

CITY OF KINGSTON

13

UPPER TIER

		1 Balance at beginning of year $	2 Amounts requisitioned $	3 Supplementary taxes $	4 Total requisitioned $	5 Amount levied $	6 Telephone and telegraph taxation $	7 Share of Provincial grants $	8 Share of payments in lieu of taxes $	9 Other $	10 Total raised $	11 Balance at end of year $	
Included in general mill rate for upper tier purposes													
General requisition	1												
Special purpose requisitions													
Water rate	2												
Transit rate	3												
Sewer rate	4												
Library rate	5												
Road rate	6												
.	7												
.	8												
.	9												
	10												
Sub total levied by mill rate—general	11												11
Special purpose requisitions													
Water	12												
Transit	13												
Sewer	14												
Library	15												
.	16												
.	17												
Sub total levied by mill rate—special areas	18												18
Special charges	19												19
Direct water billings	20												20
Sewer surcharge on direct water billings	21												21
Total region or county	22												22

SCHOOL BOARDS

		1 Balance at beginning of year $	2 Amounts requisitioned $	3 Supplementary taxes $	4 Pupils' fees, share of tuition fees $	5 Total requisitioned $	6 Amount levied $	7 Telephone and telegraph taxation $	8 Share of payments in lieu of taxes $	9 Pupils' fees, share of tuition fees $	10 Total raised $	11 Balance at end of year $	
Elementary public	23												
Frontenac County Board of Education	24	(810)	10,126,934	119,209		10,246,143	9,750,042	321,045	175,815		10,246,902	(51)	
.	25												
.	26												
.	27												
Elementary separate	28												
Frontenac-Lennox & Addington County Roman Catholic Separate School Board	29												
.	30	Nil	1,527,433	18,765		1,546,198	1,501,032	Nil	45,166		1,546,198	Nil	
.	31												
Secondary	32												
Frontenac County Board of Education	33	(1,853)	8,446,820	99,586		8,544,553	8,118,084	269,283	160,928		8,548,295	36	
.	34												
.	35												
Total school boards	36	(2,663)	20,101,187	237,560		20,336,757	19,369,158	590,328	381,909		20,341,395	(15)	36

CONTINUITY OF RESERVES AND RESERVE FUNDS
(unaudited)
for the year ended December 31, 1985

Municipality: CITY OF KINGSTON

10
15

		$
Balance at beginning of year	1	4,479,046
Revenues		
Contributions from revenue fund	2	1,347,826
Contributions from capital fund	3	
Lot levies and subdivider contributions	60	351,809
Recreational land (the Planning Act)	61	
Investment income—from own funds	5	
—other	6	456,033
Transfer to Reserve from Reserve Funds	9	458,000
Contribution from Conservation Authority	10	79,499
Contribution from Province of Ontario	11	130,500
Contribution from Trusts	12	279,000
Total revenue	13	3,102,667
Expenditures		
Transferred to capital fund	14	786,734
Transferred to revenue fund	15	591,868
Charges for long term liabilities—principal and interest	16	
Transfer of Ontario Home Renewal Plan to trust fund	62	
Administration Charges and Loans Forgiven	63	7,171
Transfer from Reserve Funds to Reserve	20	458,000
	21	
Total expenditure	22	1,843,773
Balance at end of year for:		
Reserves	23	1,614,176
Reserve Funds	24	4,123,764
Total	25	5,737,940
analysed as follows:		
Working funds	26	62,540
Contingencies	27	
Ministry of the Environment fund for renewals, etc.		
—sewer	28	
—water	29	
Replacement of equipment	30	51,636
Sick leave	31	
Insurance	32	
Workmen's compensation	33	
Capital expenditure—general administration	34	
—roads	35	71,659
—sanitary and storm sewers	36	2,952
—parks and recreation	64	69,205
—library	65	8,757
—other cultural	66	298,118
—water	38	196,714
—transit	39	
—housing	40	408,317
—industrial development	41	144,744
—other and unspecified	42	21,035
Lot levies and subdivider contributions	44	2,051,615
Recreational land (the Planning Act)	46	72,370
Parking revenues	45	732,036
Debenture repayment	47	
Exchange rate stabilization	48	
Waterworks current purposes	49	
Transit current purposes	50	
Library current purposes	51	
Uncollected Taxes	52	20,000
Rate Stabilization	53	250,000
Liabilities	54	535,000
Neighbourhood Improvement	55	38,153
Parks Master Plan	56	8,089
Land Purchase	57	695,000
Total	58	5,737,940

ANALYSIS OF CONSOLIDATED YEAR END BALANCES (unaudited)

as at December 31, 1985

Municipality: CITY OF KINGSTON

		1 $	2 $
ASSETS			
Current assets			portion of cash not in chartered banks
Cash	1	5,785,933	NIL
Accounts receivable			
Canada	2	233,558	
Ontario	3	2,826,641	
Region or county	4		
Other municipalities	5		
School boards	6	144	portion of taxes
Waterworks	7		receivable for
Other (including unorganized areas)	8	778,501	business taxes
Taxes receivable			
Current year's levies	9	1,135,788	not available
Previous year's levies	10	253,897	" "
Prior years' levies	11	336,453	" "
Penalties and interest	12	281,441	" "
Less allowance for uncollectables	13	(308,215)	(" ")
Investments (market value $			
Canada	14		
Provincial	15		
Municipal	16		
Other	17		portion of line 20
Other current assets	18	511,980	for tax sale/tax
Capital outlay to be recovered in future years	19	18,550,724	registration
Other long term assets	20	583,842	
Total	21	30,970,687	
LIABILITIES			portion of loans not from chartered banks
Current liabilities			
Temporary loans—current purposes	22		
—capital—Ontario	23		
—Canada	24		
—Other	25		
Accounts payable and accrued liabilities			
Canada	26		
Ontario	27		
Region or county	28		
Other municipalities	29		
School boards	30		
Trade accounts payable	31	2,714,413	
Other	32	172,397	
Other current liabilities	33	1,424,578	
Net long term liabilities			
Recoverable from the Consolidated Revenue Fund			
—general tax rates	34	12,355,208	
—special area rates and special charges	35		
—benefitting landowners	36	301,016	
—user rates (consolidated entities)	37	4,052,000	
Recoverable from Reserve Funds	38		
Recoverable from unconsolidated entities	39	1,842,500	
Less: Own holdings	40	( )	
Reserves and reserve funds	41	5,737,940	
Accumulated net revenue (deficit)			
General revenue	42	697,929	
Special charges and special areas (specify)			
.Pre-levy: Owners' Share Local Improvements	43	56,215	
.Downtown Business Area Levy	44	5,709	
.Downtown Revitalization Area Pre-levy	45	41,250	
.	46		
Consolidated local boards (specify)			
Transit operations	47		
Water operations	48	1,796,589	
Libraries	49	8,955	
Cemeteries	50		
Recreation, community centres and arenas	51		
.Garbage Fund	52	26,512	
.	53		
.	54		
.	55		
Region or county	56		
School boards	57	(15)	
Unexpended capital financing/(unfinanced capital outlay)	58	(262,509)	
Total	59	30,970,687	

STATISTICAL DATA
(unaudited)
for the year ended December 31, 1985

CITY OF KINGSTON

A-4
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1. Number of continuous full time employees as at December 31

		1
Administration	1	98
Non-line Departmental Support Staff	2	
Fire	3	101
Police	4	129
Transit	5	74
Public Works	6	179
Health Services	7	
Homes for the Aged	8	126
Other Social Services	9	
Parks and Recreation	10	90
Libraries	11	32
Planning	12	9
Total	13	638

2. Total expenditures during the year on:

		Continuous full time employees December 31	Other
		1 $	2 $
Wages and salaries	14	23,514,609	2,133,848
Employee benefits	15	3,385,397	121,736

3. Reductions of tax roll during the year (lower tier municipalities only)

		$
Cash collections: Current year's tax	16	38,292,998
Previous years' tax	17	1,545,310
Penalties and interest	18	489,969
Subtotal	19	40,328,277
Discounts allowed	20	NIL
Tax adjustments under section 362 and 363 of the Municipal Act —amounts added to the roll	22	( )
—amounts written off	23	
Tax adjustments under sections 465, 495 and 496 of the Municipal Act —recoverable from upper tier and school boards	24	227,290
—recoverable from general municipal revenues	25	339,361
Transfers to tax sale and tax registration accounts	26	
The Municipal Elderly Residents' Assistance Act—reductions	27	73,096
—refunds	28	
Other (specify)	80	
Total reductions	29	40,968,018
Amounts added to the tax roll for collection purposes only	30	52,450
Business taxes written off under subsection 495 (1) of the Municipal Act	81	106,610

4. Tax due dates for 1985 (lower tier municipalities only)

Interim billings:	Number of installments	31	ONE
	Due date of first installment (MMDDYY)	32	02 28 85
	Due date of last installment (MMDDYY)	33	
Final billings:	Number of installments	34	ONE
	Due date of first installment (MMDDYY)	35	06 30 85
	Due date of last installment (MMDDYY)	36	
Supplementary taxes levied with 1986 due date		37	$ NIL

5. Projected capital expenditures and long term financing requirements as at December 31

		gross expenditure	long term financing requirements: approved by the O.M.B.	submitted but not yet approved by the O.M.B.	forecast not yet submitted to the O.M.B.
		1 $	2 $	3 $	4 $
Estimated to take place					
In 1986	58	5,000,000	4,982,666	213,550	2,500,000
In 1987	59	5,000,000			2,500,000
In 1988	60	5,000,000			2,500,000
In 1989	61	5,000,000			2,500,000
In 1990	62	5,000,000			2,500,000
Total	63	25,000,000	4,982,666	213,550	12,500,000

		balance in fund	loans outstanding
		1 $	2 $
6. Ontario Home Renewal Plan trust fund at year end	82		

7. Analysis of direct water and sewer billings as at December 31

water

		number of residential units	1985 billings: residential units	1985 billings: all other properties	for computer use only
		1	2 $	3 $	4
In this municipality	39	14,408	1,017,266	1,875,388	
In other municipalities (specify municipality)					
Township of Pittsburgh	40		161,113		
	41				
	42				
	43				
	44				

sewer

		number of residential units	1985 billings: residential units	1985 billings: all other properties
		1	2 $	3 $
In this municipality	44			
In other municipalities (specify municipality)				
	45			
	46			
	47			
	48			
	65			

		water	sewer
		1	2
Number of residential units in this municipality receiving municipal water and sewer services but which are not on direct billing	66		

8. Selected investments of own sinking funds as at December 31

		own municipality	other municipalities, school boards	Province	Federal
		1 $	2 $	3 $	4 $
Own sinking funds	83				

9. Borrowing from own reserve funds

		1 $
Loans or advances due to reserve funds as at December 31	84	252,749

10. Joint boards consolidated by this municipality

		total board expenditure	contribution from this municipality	this municipality's share of total municipal contributions	for computer use only
		1 $	2 $	3 %	4
name of joint boards					
Kingston, Frontenac and Lennox and Addington Health Unit	53		NOT AVAILABLE		
	54				
	55				
	56				
	57				

11. Applications to the Ontario Municipal Board

		tile drainage, shoreline assistance, downtown revitalization, electricity, gas, telephone	other	total
		1 $	2 $	3 $
Approved but not financed as at Dec. 31, 1984	67		5,607,438	5,607,438
Approved in 1985	68	350,000	3,575,828	3,925,828
Financed in 1985	69	350,000	4,000,000	4,350,000
No long term financing necessary	70			
Balance approved but not financed as at Dec. 31, 1985	71	NIL	4,982,666	4,982,666
Applications submitted but not approved as at December 31, 1985	72	NIL	213,550	213,550

12. Forecast of total revenue fund expenditures

1986	1987	1988	1989	1990
1 $	2 $	3 $	4 $	5 $

AUDITOR'S REPORT
for the year ended December 31, 1985

Municipality

CITY OF KINGSTON

KMG Thorne Riddell

Chartered Accountants

AUDITORS' REPORT

To the Ministry of Municipal Affairs

We have examined grant information schedule 13 of the Financial Information Return of the City of Kingston for the year ended December 31, 1985. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, this schedule presents fairly the grant information shown therein in accordance with instructions issued by the Ministry of Municipal Affairs and Housing for the year 1985.

Thorne Riddell

Chartered Accountants
Licence #1086

Kingston, Ontario
April 3, 1986

KMG International Firm Klynveld Main Goerdeler

GRANT INFORMATION

for the year ended December 31, 1985

Municipality: CITY OF KINGSTON

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ANALYSIS OF REVENUE FUND REVENUES — 1

Note: Upper tiers use column 4 only.

		upper tier purposes 2 $	own purposes 4 $
Taxation			
Direct water billings on ratepayers - own municipality	2		2,892,654
Sewer surcharge on direct water billings - own municipality	4		
Payments in lieu of taxes			
Subtotal	18	NIL	3,369,841

ANALYSIS OF TAXATION — 2LT

LOCAL TAXABLE ASSESSMENT

I. Own purposes (a) Levied by mill rate		residential and farm 1 $	commercial and industrial 2 $	business 3 $
General	30	87,136,618	29,735,772	12,532,970
police villages at reduced rates	31			
farms at reduced rates	32			
Garbage Fund		140,911,843	29,735,772	NIL

TAXES LEVIED

		commercial and industrial 7 $	business 8 $	total 12 $
Subtotal levied by mill rate	1	4,600,957	1,782,477	
Share of telephone and telegraph taxation	2			627,540
Total own purposes taxation	4			19,975,461
II. Upper tier purposes				
Subtotal levied by mill rate	5	NIL	NIL	
share of telephone and telegraph taxation	6			NIL
Total upper tier taxation	8			NIL

ANALYSIS OF CAPITAL OPERATIONS — 5

		1 $
Other financing		
Prepaid special charges	24	14,945